THE DISAM JOURNAL OF INTERNATIONAL SECURITY ASSISTANCE MANAGEMENT

If it's regional information that you're interested in, we certainly have it in this edition of *The DISAM Journal*. We have articles emphasizing Africa, Europe, the Americas and the Caribbean, as well as specific articles dealing with Japan, Turkey, and Indonesia. These come from numerous contributors to include the outgoing Secretary of State Powell and other officials within that Department. The article on Indonesia is most timely; it alludes to the hope of a restored relationship with the United States. Since the article's submission, Secretary of State Rice has determined that Indonesia had satisfied legislative conditions for restarting its full International Military Education and Training (IMET) program (DoS Press Release issued 26 Feb 05). This is an important step in the process – Indonesia has been restricted in its use of IMET since 1992. In a separate article, we provide Secretary Rice's opening comments made before the Senate Foreign Relations Committee, less than a month ago, as she overviewed the "President's FY 2006 International Affairs Budget Request."

This Journal's feature article focuses on the Naval Postgraduate School (NPS). Among the particular schools highlighted are the School of International Graduate Studies (SIGS), The Defense Resources Management Institute (DRMI), the Center for Civil Military Relations (CCMR), as well as the National Security Affairs (NSA) Department and its variety of graduate programs. All these programs provide educational opportunities to international military and civilian students worldwide and are supported by the International Graduate Programs Office – the International Military Student Office function at NPS. NPS provides resident education programs for the international community, often seated side by side with their U.S. counterparts.

DISAM, along with any school involved with international education and training programs, continues to have numerous opportunities to support the international community. We provide a couple of "trip reports" dealing with recent visits to Luxembourg (NAMSA) and the Netherlands. We solicit similar input from other schoolhouses in order to provide insight to the various programs that the U. S. offers our allies and friends – all key in the Global War on Terrorism!

Although too tight on the publishing schedule to have a full article in this Journal, DISAM recently completed its annual Curriculum Review (week of 22 Feb). The SAM-O (Overseas Course) took the forefront with major work anticipated within the curriculum. We appreciate all the feedback provided by SAOs and Combatant Commands as we seek to expand on the Security Cooperation (not merely the traditional Security Assistance) aspects that impact the time and efforts of the SAO community. Additionally, regarding DISAM classes, we sometimes hear of personnel having a difficult time getting into DISAM classes. If you or your coworkers are having difficulties, please contact the DISAM Registrar before the particular class offering. In many cases, we have empty seats in classes, and can work the issue with the potential student and the supervisory chain so that students get to DISAM as timely as possible.

RONALD H. REYNOLDS

Ronald M. Gleynolde

Commandant

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FEATURE ARTICLE

Naval Postgraduate School – Meeting Today's Security Challenges Worldwide By

LTG Robert L. Ord, III (Ret)
Dean, School of International Graduate Studies
Naval Postgraduate School

The new security challenges confronting our nation in the 21st century demand new response capabilities, require effective civilian and military interagency alliances, and necessitate bilateral and multilateral cooperation from our allies and friends.

The Naval Postgraduate School (NPS) is in the forefront developing innovative new programs that meet today's security challenges. As a result, on May 24, 2004, the United States designated NPS (located in Monterey, California), as a Partnership for Peace (PFP) Education and Training Center, the only such center of the United States. NPS was selected because of its forward looking graduate education programs and experience in delivering mobile education worldwide.

Founded in 1909, NPS is one of the oldest graduate institutions in the United States for military officers and government civilians. It offers, in one location, academic excellence and research with a direct link to defense and students from all U.S. military services and more than 60 countries worldwide.

What is SIGS?

Established in 2001, the School of International Graduate Studies (SIGS) is one of the newest and most dynamic schools within the Naval Postgraduate School.



Dean, School of Interational Graduate Studies

"The dynamics of international politics is ever changing SIGS is the intellectual frontline in providing our students with the necessary knowledge and skills to meet today's complex and challenging security environments."

SIGS' mission is to educate the next generation of U.S. and international leaders. To do so, we prepare students for assignments in defense and foreign policy, international relations, and security cooperation. SIGS offers in-residence graduate-level studies and programs to U.S. and international students in the areas of national security studies (such as civil-

military relations, and stability and reconstruction) and regional studies (such as Middle East). The School of International Graduate Studies is comprised of the following centers and institutes.

SIGS Mission

Educate the next generation of U.S. and international leaders.

- Department of National Security Affairs
- Defense Resources Management Institute
- Center for Civil-Military Relations
- Center for Homeland Defense and Security (for U.S. students only)
- International Graduate Programs Office

Separate articles in this journal provide indepth information about each of the centers and institutes.

Programs Offered

Graduate Programs:

Masters Degree programs (12-24 months) for U.S. and international military officers, and civilians. All Masters degree programs are held inresidence in Monterey, California. Two curricula studies are offered.

Regional Studies

- -Civil-Military Relations
- -Stabilization & Reconstruction
- -Defense Decision Making & Planning
- -Homeland Security (U.S. students)

Security Studies

- -Middle East, Africa, South Asia
- -Far East, Southeast Asia Pacific
- -Western Hemisphere
- -Russia, Europe, Central Asia

In-residence Short Courses:

Non-degree programs. seminars, held at NPS, are intensive 1-4 weeks workshops focusing on today's defense topics, such as combating terrorism, counter-drug, defense resources management, defense restructuring, and others. All classes are conducted in English. For a complete visit our website http://www.nps.navv.mil/sigs

Mobile Education

Teams (METs):

SIGS specializes in delivering Mobile Education Teams (METs) worldwide. These are 1-4 weeks mobile courses tailored to the special needs of the requesting country in areas such as:

- -Combating terrorism
- -Interoperability of forces
- -Defense resources management -Peacekeeping & peace operations
- -Defense restructuring and many, many others

No English proficiency is required. Classes are conducted with simultaneous or continuous translation at the country's selected location.

Participants: Our U.S. students are military personnel (mid-to-senior rank) from all services and civilians from all federal agencies.

Depending on the course or seminar, our international students include: senior executives, military officers, program managers, policy makers and legislators.

The SIGS Experience

Real world applicability of courses to meet today's security challenges.

Share experiences with international counterparts—our international "mix" of students is unmatched anywhere.

Share knowledge with U.S. students from all military departments and federal agencies.

Prepare participants for international assignments—as defense attachés, foreign area officers, combatant command, etc.

Real world applicability of courses

SIGS programs are geared towards real world situations. Students can utilize what they learn in class for their current or future assignments; for example, the Enhanced International Peacekeeping Capabilities Program (EIPC). This security assistance program, started by the U.S. State Department and the Department of Defense (DoD) in 1998, aims to increase the pool of international armed forces capable of participating in peace support operations (PSO).

The problem we face is that every country contributing to a peace support operation has a different operational style and set of command skills. SIGS is the DoD executive agent for promoting training standardization and strengthening the military effectiveness for each EIPC country.



Photo: Robert Searcey School of International Graduate Studies (SIGS)

To optimize the impact of PSO training, SIGS applies the "teach-the-teachers" concept, specifically focusing on peacekeeping trainers, educators, and policy officers. Once these "trainers" complete our course, they return to their respective country and teach others. Our methods work. As a result of PSO training various countries have changed their peacekeeping training curriculum.

Innovative Programs

Our curricula look forward. SIGS offers a number of unique, first-ever educational programs geared toward today's challenges, such as Homeland Defense and Security, counter-terrorism, counter-drug seminars, among others.

Share experience with international counterparts

Our international mix of students is unmatched anywhere. We have the largest of number in-resident international officers and government sponsored civilians than any other DoD Professional Military Education (PME) institution. At present, we have more than international students from 61 countries attending our various graduate degree programs and 495 students from more than 103 countries in short courses (one to four weeks in duration).

Share knowledge with students from all U.S. military services (Navy, Marines, Army, Air Force, and others)

Develop new and lasting friendships. Enliven the learning experience. Each international student is paired with a U.S. host student. Many live in U.S. military housing. Our international students share knowledge and gain new perspectives from their U.S. counterparts.

Prepare participants for their next assignments

How does our international focus help our students? Our U.S. students gain a unique experience--they work along side future leaders from the very countries they are studying. This pays huge dividends in their overseas assignments as foreign area officers, defense attaches, intelligence officers, and political-military experts. This also applies to our international students detailed to the U.S.

No textbook overview, our students gain current and relevant information

Our faculty and staff teach and work on crosscutting issues with the Defense Department, and other governmental sponsors. They also travel around the world conducting seminars. Our students benefit tremendously from the insights gained from our instructors' expertise and their assistance to foreign governments.

Global Influence

SIGS specializes in global education. Our global reach is extensive—we are in partnership with 96 universities in 43 countries. Our Mobile Education Teams (METs) travel around the world helping countries to rebuild and restructure their defense policies, programs, and curricula.

What makes our METs effective? The answer—our approach is different. We

work hand-in-hand with countries to tailor specific programs to meet their needs. This is the number one reason why more prime ministers, ministers of defense, presidential advisors, chiefs of staff of defense forces, members of parliaments and legislators, and other ranking officials graduated from NPS METs than from any other professional military graduate education institution.

As noted earlier, our mission is to educate future generations of U.S. and international leaders. SIGS is here to provide students with the knowledge and skills to face today's and tomorrow's new challenges. I look forward to welcoming you to SIGS.

About the Author: Robert L. Ord III, a retired Lieutenant General in the U.S. Army, was selected to be Dean of SIGS in October, 2002. He retired from the Army after serving as the Commanding General, U.S. Army, Pacific.

Should you have any question(s) about the Naval Postgraduate School of International Graduate Studies, please call (831) 656-3781 or visit us at our website at http://www.nps.navy.mil/sigs

THE INTERNATIONAL GRADUATE PROGRAMS OFFICE (IGPO)

By

Gary Roser, Colonel, USMC (Ret)
Assistant Dean, School of International Graduate Studies
Naval Postgraduate School

The International Graduate Programs Office (IGPO) is responsible for the cultural, social and academic integration of our international military/civilian students and their families at the Naval Postgraduate School (NPS).

What does this mean you might ask? It means that IGPO is a "service and support" organization answering to the various needs of our international students. We understand the confusion and frustration new international students have upon their arrival in the United States. Therefore, IGPO has built a set of unique programs to ease their transition into a new school, new culture and new living conditions, here in Monterey, California.

What does "IGPO" Do?

The IGPO is literally the first stop for an international student here at the NPS, even before they arrive. It is the "student admissions and approval" office for all international applicants. IGPO reviews each student's application to ensure that it meets the necessary English proficiency academic grades. requirements, subject requirements for enrollment into any one of our 40 academic curricula-from engineering, business administration, space systems, meteorology, oceanography to national security affairs. Courses are offered by the following graduate schools at NPS:

- Graduate School of Business and Public Policy
- Graduate School of Engineering and Applied Science

- Graduate School of Operational and Informational Sciences
- School of International Graduate Studies

For more information about the various academic programs here at NPS, please visit our website at:http://www.nps.edu

Provides Cradle-to-Grave Services

Before a student's arrival to the U.S., we work hand-in-hand with the Security Assistance Office (SAO) or the Defense Attaché Office (DAO) in their home country to provide an extensive orientation package to prepare them for what to expect upon their arrival—from clothing to housing assistance. A week before the student's first class begins, we provide an orientation session about the school, local information, and answer any questions that a student might have, such as what to do in the case of an emergency, whom to contact, etc.

Once a student arrives at NPS, he or she is given every form of support and assistance possible to make their stay here in Monterey, California as enjoyable as possible. We are the liaison and support office dedicated to assisting with whatever quality of life issues that might arise during our students' stay at Naval Postgraduate School, such as helping a student get a driver's license, whom to contact at the immigration office, and others. No question or problem is too big or too small.

IGPO Programs

Since our number one priority is servicing our international students, we have designed a number of programs to meet their unique needs and requirements. These programs include the following:

Support Programs and Services:

Military Sponsor Program – each international student is paired with a U.S. student

Seminar: U.S. Informational Program

Course: Communications Skills for

Internationals

Course: Academic Writing for Internationals

International Executive Committee – Command

Sponsor

Military Sponsor Program: Each international student is paired with a current U.S. student, a military officer from one of the four Services--Army, Air Force, Navy, or Marines. The pairing of a military sponsor is important in assisting each international student's initial adjustment during their first day, first week, first month, and first quarter stay at NPS. The U.S. student assigned to the sponsor duty is matched to the curriculum and interests of the international student. The sponsor is the first person to greet the international student upon their arrival at the airport and is there to assist with housing, food, transportation, academic, and other needs. Lifetime friendships are built as a result of this approach.

Seminar: U.S. Informational Program: This fun-filled class enhances our international students' understanding of American society, institutions and way of life. Field trips are designed to expose as many facets of the American experience as possible, at the local, state and federal levels. This includes trips to local cultural events such as the Monterey County Fair, sight-seeing in San Francisco, visits to

California's State Capitol, NASA-Ames science labs, local agricultural industries and wineries, among others. Additionally, students will travel to Washington D.C. to attend briefings at the Pentagon, the U.S. State Department, Congress, the U.S. Naval Academy, among others. Course number is IT-1500.

English Communications Assistance: Verbal communication in English can be difficult, even for the very best-skilled of our international students. Our English as a Second Language (ESL) program is coordinated and taught by an experienced instructor from the Defense Language English Language Center Institute. As a result, we offer an (DLIELC). English communications skills class for non-English students or those seeking to improve their English proficiency skills for class presentations or communications with other students. Students can practice at our English Lab or request tutoring assistance. Course number is IT-1600.

Academic Writing for Internationals: For those students seeking to improve their English writing skills or requiring thesis writing assistance, this class will assist them in their goals. Course number is IT-1700.

International Executive Committee (IEC): Our international students have a voice at They can join the International Executive representational Committee. voluntary, a organization, and have their committee representative address issues of concerns or items of interest with senior Naval Postgraduate School officials. committee also provides a great way to meet other international students. The IEC also helps plan the annual international day in the Monterey area (an event attended by over 3,000 local residents), raising funds for various social events and having fun beyond Additionally, the IEC the classroom.

distributes used furniture to international students through the International Furniture Locker program, providing a tremendous service to all international students.

About the Author: Gary Roser, Colonel, USMC (Ret) was awarded Legion of Merit, Meritorious Service medal and many others while in the Marine Corps. He retired in 1991 following a successful tour as the commander of the Marine Aircraft Group 42. Roser joined the Naval Postgraduate School shortly after his retirement as Director, International Programs and was promoted to his current position in 2000. To contact IGPO, please call (831) 656-3062.Fax: (831) 656-3064 or e-mail: groser@nps.edu

THE DEFENSE RESOURCES MANAGEMENT INSTITUTE (DRMI)

Helping Countries to Better Manage Limited Defense Resources

By

Dr. C.J. LaCivita

Executive Director, DRMI, School of International Graduate Studies Naval Postgraduate School

The Defense Resources Management Institute (DRMI), located at the Naval Postgraduate School (NPS) in Monterey, California, is an educational institution sponsored and supervised by the Secretary of Defense. The DRMI teaches graduatelevel, professional education programs in analytical decision making and resource management for military officers and senior civilians from both the United States and other countries. Since its inception in 1965, over 28,000 officials from the U.S. and 161 other countries have participated in DRMI programs. Institute's courses enable participants to develop the skills and thought processes necessary for deciding how best to allocate scarce resources among abundant conditions alternatives under of uncertainty.

The DRMI curricula integrate economic reasoning, management science, quantitative analysis in a systems approach to decision-making. The basic tenet of all DRMI curricula is that sound decisions begin with clearly stated goals and objectives and followed by analysis of alternatives for achieving the goals. The systems approach uses various models to predict the consequences of different alternatives and provides a framework for the decision maker to explore tradeoffs, gain insight, and make a choice. The great advantage of this method is that a link can be drawn from the problem to a course of action and to the cost of resources necessary to implement the course of action. The modeling principles taught allow the manager to explain the

relationship between resource inputs and organizational outputs and outcomes. Instead of relying on best guess speculation, a defendable argument can be made for resource requirements.



Photo:Javier Chagoya

Undersecretary of Defense for Personnel and Readiness presents a guest lecture to SIDMC

DRMI's faculty is a mix of 19 civilians and six military officers all with graduate degrees and all members of the NPS The majority of the civilian faculty has Ph.D.'s and are experts in their academic fields. Many also have prior military experience. In addition to teaching, they conduct research in defense areas relative to their academic fields. The military faculty includes lieutenant colonels and commanders representing the four services and the National Guard. In addition to holding graduate degrees, all have served extensive operational tours as well as staff assignments where they have used the procedures they now teach. Many are joint staff officer qualified and understand the broad issues of joint operations in the DoD.

Courses Offered

All DRMI courses have two overarching goals: to provide an analytical framework for making defense resources allocation decisions and to provide a forum for the exchange of ideas. Courses differ depending on the intended audience, particular topics to be addressed and the amount of time available for the course. The method of instruction for all DRMI courses is a mix of lecture and small group discussions. Participants are presented with a series of real world problem scenarios and encouraged to share their ideas and experiences. The diversity of experience among the participants is a valuable addition to the mix of ideas and viewpoints on a particular problem. In fact, the exchange of ideas among peers is one of the most valuable learning aspects of the course.

DRMI has been at the forefront of the Expanded International Military Education and Training (E-IMET) initiative since 1991, and all courses listed below are approved for E-IMET.

Defense Resources Management Course

The Defense Resources Management Course (DRMC) is a four-week course offered five times a year. It is designed for US military officers (active or reserve) of rank O-4 to O-6, civilian officials of GS-11 through grades GS-15 equivalent, individuals participating in accelerated career development programs, and foreign officials of similar rank or Although designed for a U.S. grade. audience, international students have participated in every DRMC the Institute has offered. International participants in the DRMC are typically from our NATO allies and usually comprise 30-40% of the class. Germany, for example, sends three officials to every DRMC. Maximum enrollment is fifty-four participants.

As noted above, the course has two major goals. The first goal is to develop an understanding and appreciation of the concepts, techniques, and decision making skills related to allocating defense resources in order to enhance effectiveness in modern defense organizations. course provides an integrated, multidisciplinary approach that encourages the participant to develop an understanding of concepts. principles, methods, techniques drawn from management reasoning theory. economic quantitative reasoning. Course content emphasizes ways of thinking about defense resource issues and problems through, three interdependent areas of study.

The first area concentrates on the formulation of allocation resource problems and methods of analysis suited to solving such problems. attention is given to the tools and techniques of quantitative reasoning. The second focuses on the use of economic concepts in resource allocation and the importance of weighing benefits against their costs. Economy and efficiency, marginal reasoning, production analysis, cost concepts and measuring effectiveness are treated in detail. The third examines the development of management systems for aiding resource allocation decisions. Budget systems and their design are studied, with special attention devoted to the Planning, Programming and Budgeting System (PPBS). Generic concepts are emphasized throughout the course with the aim of facilitating their introduction as part of a broader effort to improve the conduct of defense management.

The second goal is to provide a forum for the comparative exchange of ideas. The participants learn about the operations of other DoD organizations as well as those of other countries. The U.S. and international participants learn about each other's countries and cultures, and form long-lasting friendships. Discussion groups provide participants with the opportunity to interact with each other.

The course is conducted through a variety of interrelated activities, including lectures that present basic concepts, assigned readings to support and supplement the ideas presented in the lectures, and discussion groups (consisting of 8 to 10 participants with a faculty facilitator). In the discussion groups, concepts from lectures and readings are discussed, compared. and critically examined. Discussions often center on a problem or case study in which theoretical concepts and analytical methods are applied to illustrative

situations.



DRMI Lecturer lectures to a MIDMC class in Kenya.

International Defense Management Course

The International Defense Management Course (IDMC) is an eleven-week course offered twice a year. The course is designed specifically for international participants of rank major through colonel and civilians of equivalent rank. All of the topics covered in the DRMC are also covered in this course but in much more depth. Additional material includes a week of manpower issues, a week focused on logistics management and two weeks of financial management and budgeting. A typical IDMC has 50-54 participants from 35-45 countries, giving the participants

ample opportunity to learn about other countries and cultures and form longlasting friendships. Students are also provided with opportunities to learn more about the U.S., its people and its institutions. Each participant has a host family from the local community that provides the opportunity to see how Americans live. A field trip to Washington, DC is also part of this The intent is to show the program. participants democratic how our institutions work.

Senior International Defense Management Course

The Senior International Defense Management Course (SIDMC) is a fourweek professional course conducted once a year. The course is intended for flag and general officers and equivalent-ranking civilians from countries throughout the world. As with all DRMI offerings, the foundation of the course is analytical decision making, but the course is tailored to senior leaders. As with other DRMI courses, participants are provided with opportunities to learn more about the U.S., its people and its institutions. Each participant has a host family from the local community that provides the opportunity to see how Americans live. A field trip to Sacramento and tour of the state capitol are also part of this program.

Mobile International Defense Management Course

The Mobile International Defense Management Course (MIDMC) is a two-week course designed for military officers of rank O-4 and above and civilians of equivalent rank. As with all DRMI courses, the emphasis is on analytical decision making and resource management systems. The course can be tailored to meet the needs of the host country and is conducted in English or in other languages through

translation and interpretation. A significant number of the mobile courses have been regional in nature, offering participants from different countries in a region the opportunity to interact with one another. Since 1991, DRMI has conducted 139 mobile courses in 54 countries to officials from 101 different countries. Participants included 3,601 military officers and 1,575 civilian officials.



Assistant Professor facilitates a discussion group in a MIDMC course in Argentina.

A number of countries have incorporated a DRMI MIDMC as part of the curriculum of their National Defense Colleges. Argentina, Honduras and Malaysia, in particular, have done this by scheduling an annual MIDMC to coincide with the resources management portion of their program. Other countries, such as Croatia and the Philippines, have requested special courses designed to help them install PPBS systems in their MoDs.

MIDMCs must be requested through incountry U.S. security assistance agency personnel (MAAG, MilGroup, ODC, SAO, DAO, etc). In view of the high demand for mobile courses, official requests should be made at least one year in advance. The annual Training Program Management Reviews (TPMRs) offer a forum for initial requests and planning.

Graduates

King Abdullah II of Jordan, along with his brother Prince Faisal and sister Princess Aisha, are SIDMC graduates. Numerous other graduates of DRMI programs have become ministers of defense and chiefs of staff. For example in the last ten years, DRMI graduates have been ministers of defense in Argentina, Honduras, Latvia, Philippines, Romania and the Slovak Republic; chiefs of staff of the Argentine Army and Air Force, Bangladesh Army, German Army, Honduran Army, Jordanian Air Force, Mongolian Armed Forces, Namibian Army, Roval Norwegian Air Force, Army of Senegal, Spanish Air Force, Suriname Army, Swedish Air Force, Swedish Land Forces and the Taiwan Air Force and Army; and the chief of naval operations of Argentina, Bangladesh and the Philippines.

About the Author: Dr. C.J. LaCivita served as the Acting Dean, School of International Graduate Studies (2001-2002). He is currently the Executive Director, DRMI. Dr. LaCivita joined the Naval Postgraduate School in 1985. For more information

about DRMI, please visit our website at: http://www.nps.navv.mil/drmi/ Or contact us at: (831) 656-2104 or x2306.

CENTER FOR CIVIL-MILITARY RELATIONS (CCMR)

By Richard Hoffman Director, CCMR, School of International Graduate Studies Naval Postgraduate School

Established in 1994, CCMR is dedicated strengthening civil-military relationships in democracies worldwide. CCMR helps nations resolve issues resulting from defense transformation, stability and support operations, peacekeeping, combating terrorism, and other security challenges. In the past two years, the Center has helped educate approximately 7,000 foreign military officers and civilians in programs conducted in host countries and in the United States.

What Do We Do?

CCMR custom builds each of its programs and course materials to address the specific requirements and circumstances of each participating country. Programs designed for mid-to-senior-grade military officers, civilian officials, legislators, and personnel from nongovernmental organizations, both residence (at the Naval Postgraduate School) and overseas (in the requesting nation). All programs provide participants with insights and analytical tools for enhancing civil-military cooperation at all levels



CCMR MET in Senegal

All of the Center's programs emphasize three main goals:

- Consolidate and deepen democracy (with particular reference to national defense and the armed forces);
- Increase the effectiveness of the armed forces in fulfilling the multiple roles and missions assigned to them by their democratically elected civilian leaders;
- Seek success in the most efficient manner possible at the lowest possible costs.

CCMR programs utilize a variety of instructional methods, including lectures and discussion groups to foster interaction among the participants and faculty. Most programs also include real-world case studies and simulation exercises.

Why Teach Civil-Military Relations?

In a democracy, those who govern have power by virtue of a popular vote of their country's citizens. While not similarly elected, the military also holds power. Consequently, effective civil-military relations—the relationship between elected civilian leaders and the military are vital to those seeking to create a government that is ultimately responsive to the people who elected it. The key remains how democratic issue a government can exert control over the military, rather than the other way around.

The study and teaching of civil-military relations is important in that unless civilians know how to establish and manage key institutions, real democratic civil-military relations cannot be achieved.

By employing a "lessons-learned and bestpractice approach," civilians can learn how to control the military, and officers can come to understand that, in the long run, such control benefits them and their nation.



CCMR Seminar - Mongolia, September 2004

CCMR Programs

CCMR offers a number of seminars and workshops that further civil-military relations. Many of the courses are offered in-residence (at the Naval Postgraduate School) or through Mobile Education Teams (METs). METs are specifically targeted to a country's needs while in-residence courses offer participants the opportunity to meet, work, and share views with senior military and civilian officials on similar issues and problems.



Afghanistan - Students at a CCMR Personnel Class

Our overseas and in-residence programs are divided into the following categories:

- Civil-military relations
- Peacekeeping

- Civil-military responses to terrorism
- International defense acquisition and management
- Implementing strategic planning

Civil-Military Programs

Below is a sample listing and summary of our various courses that promote civilian control of the military.

Civil-Military Relations MET

Civilian-Control of the Armed Forces in a Democracy MET

The Media and the Military MET

The Legislature and the Military MET

Executive Program in Defense Decision-Making

— In residence

Intelligence and Democracy– *In residence* and **MET**

Defense Restructuring– *In residence* and **MET**

Civil-Military Relations MET

seminar five-day focusing "democratic defense decision-making" in a wide variety of areas. The underlying theme of this course is the need for military officers and civilian officials to develop habits of cooperation within an interagency decision-making process. The course relies heavily on interaction among participants during the classroom course. As a result, we request that the Security Assistance Officers draw participants from the widest possible spectrum of military and civilian officials, from mid-career to senior positions. Each seminar is tailored to the host country's needs. Note: This course can also be provided on a regional basis with various countries' participation.

Civilian Control of the Armed Forces in a Democracy MET

This course is specifically designed for those countries that either have weak institutional controls over the armed forces or wish to improve existing structures and procedures. The intended audience is midto-senior civilian defense and military officers from the Ministry of Defense, Chancelleries, and Parliament involved in the decision-making process and management of the armed forces. Course objectives are to provide instructions on Western principles of civilian control over the armed forces and using case studies to assist the recipient country in identifying potential problem areas in control structure and procedures.

The Media and the Military MET

A one-week workshop that examines the methods civilian authorities, military officers, and the media in emerging democracies can use to structure an effective relationship between a country's armed forces and the media during peacetime and war that are unique to the requesting country. Participants analyze the role of policy-makers, the military, the media, and the public sector in national policy formulation security implementation. This course provides a neutral venue for consensus-building and interagency cooperation.

The Legislature and the Military MET

The key objective of this one-week course is to examine the methods civilian authorities and military officers can use to establish effective linkages between a country's legislature and its armed forces. The course specifically examines the following subjects:

- 1) the role of the legislature in shaping defense legislation;
- 2) legislative oversight of defense and military policy;
- 3) military liaisons to the legislature;

4) legislative budgetary authority and the utilization of statutory reporting and formal hearings; and others.

Executive Program in Defense Decision- Making (in-residence course)

This is a two-week course conducted every June at the NPS for senior military and their civilian equivalents (O-7 and above) from the legislature, government ministries, and non-governmental organizations. Four main themes will be covered during the course:

- 1) development of a national security strategy;
- 2) threat assessment;
- 3) intelligence; and
- 4) domestic defense challenges (e.g. terrorism, natural disaster).

Intelligence and Democracy Program

Three separate programs are being offered in this very important area. First, a graduate course, "Intelligence and Democracy" offered in-residence at the Naval Postgraduate School; second, a week-long course held at the NPS that examines the methods civilian authorities can use to establish strong, effective controls over their intelligence agencies; third, a MET tailored to the unique needs of the requesting country.

Why the Need for this Course?

One of the most problematic issues of civilian control of the armed forces is control of the intelligence services. This is due to the legacies of prior regimes in which intelligence was a key element of control as well as the inherent tension between intelligence and democracy. Democracy requires accountability and transparency. Intelligence services, by contrast, must operate in secret to be effective, thus violating to some degree

both accountability and transparency (or oversight). This course provides insights to some of the key issues involved in the structures and processes of intelligence operations.

In-residence Courses

One-week Intelligence and Democracy This seminar creates an Seminar: interactive learning environment in which participants benefit from the experiences and objectives of other countries. Course emphasis includes the following: Intelligence as an issue for democratic governance, roles and missions of intelligence agencies, and democratic control and oversight of intelligence activities.



Photo: CCMR Intelligence and Democracy Seminar Students

Masters Degree Course: "Intelligence and Democracy": Students will analyze the mechanisms used by the U.S. and other Western democracies to maintain control over their intelligence organizations, such as: money, structural and organizational arrangements, legislative oversight, and legal mechanism.

Defense Restructuring Program

Why defense restructuring? All countries share a need to more clearly define national interests, to identify threats to national security (both internal and external), to develop appropriate

structures, and to refine decision-making processes that meet their new security requirements. For example, the U. S., after 9/11, re-examined its security apparatus and intelligence organizations and created the Department of Homeland Security.

How Can Defense Restructure Assist Countries?

Our in-resident two-week course (held at the NPS) provides participants with the knowledge and skills needed to become better decision-makers or advisors in designing and implementing restructuring plans for their country.

Students will learn the fundamentals of defense rebuilding applicable to their national needs, such as an understanding of the roles and missions of relevant institutions--armed forces, legislatures, ministries of defense and how they interact in interagency decision-making, defense strategy formulation, and budgeting.

Our mobile education courses (held incountry) are tailored to meet the specific needs of the requesting country.

Peacekeeping Programs

There are three specific peacekeeping programs:

- Enhanced International Peacekeeping Capabilities (EIPC)
- Planning for Peace Operations
- Center for Stabilization and Reconstruction Studies

Enhanced International Peacekeeping Capabilities (EIPC) Program:

The EIPC program was developed by the U.S. State Department and Department of Defense to increase the pool of international armed forces capable of participating in multinational peacekeeping support operations (PSO).

The program focuses on recipient countries' institutional PSO educational and training requirements to develop and standardize peacekeeping doctrine; enhance professional military education and training programs; and develop information systems to support peacekeeping training and exercises.

CCMR was designated as the Executive Agent for developing and implementing the education and training portion of the EIPC program in 1998. To date, CCMR has trained several hundred officers under the EIPC education and training program.

EIPC Courses

Focus is on "training the trainers" in PSO doctrine and training methodologies. Unlike most IMET courses which focus on training individuals for specific skills or professional general military more education, EIPC has a narrowly defined peacekeeping audience: trainers. educators, and policy officers. For every instructor trained under EIPC, CCMR expects to realize several hundred trained peacekeepers in one to three years after completion of EIPC training.

For EIPC recipient countries, there are three types of courses offered: 1) Mobile courses conducted in-country through our Mobile Education Teams (METs); 2) inresidence courses at NPS for PSO instructors; 3) delivery of tailored specific modules/courses in the host country.

Phase I (MET):

"PSO Pre-Survey". This is a three-to-five day site visit by a CCMR team. Goal is to assess host country's peacekeeping training center, evaluate existing PSO training capabilities, brief the PSO core curriculum, and tailor upcoming programs to fit the country's training needs.

Phase II (at the NPS):

"EIPC PSO Instructors' Course". A twoweek seminar held at the NPS for all PSO trainers. Course is offered twice a year. The instructors' course concentrates on curriculum development and teaching skills as well as methods for PSO education and training. Topics include: PSO doctrine, education and training methodologies, and curriculum development.

Phase III (MET):

"EIPC PSO MET". This is a series of modules and courses covering various topics of the PSO core curriculum to be provided to the host country's peacekeeping training center. Phase III courses are tailored to the recipient country's needs (as developed during Phases I and II). All METs emphasize practical training exercises oriented toward a "train the trainer" format.

Planning Peace Operations Residence Course

This three-week course provides an understanding of the roles and functions of the United Nations (UN) and coalitions in international political and security matters, particularly peacekeeping, as well as those operational staff and managerial skills needed for understanding the complexities of establishing, conducting and terminating peace operations. Participants examine how peace operations forces are mobilized, trained, deployed, employed and sustained.

The key objectives of the course of instruction are to: advance international participation in peace operations; enhance other countries' capabilities to lead and participate in peace operations; enhance standardization of peace operations doctrine; and improve interoperability of staff planning for peace operations among participating countries.

This course directly contributes to achieving the U.S. foreign policy goals of enhancing the professional military education and interoperability of the participating countries in future peace operations. Tentative dates for FY05 Planning Peace Operations course are 8-26 August 2005.

Center for Stabilization and Reconstruction Studies

The activities and challenges of stabilization and reconstruction of states are a central feature of contemporary international relations and are likely to remain so for some time. Given this, the NPS established the Center for Stabilization and Reconstruction Studies in September 2004.

The premiere program is the existing Masters of Arts degree in Stabilization and Reconstruction for U.S. and international students. We believe the best learning occurs when the curriculum is multidisciplinary and interactive among a diverse student mix. Our programs will incorporate students from the complete range of actors that are involved in these activities-members of humanitarian organizations, representatives of nascent states in recovery, civilian governmental officials, and U.S. and foreign military officers

Civil-Military Response to Terrorism **Program**

Our combating terrorism programs are unique. We focus on the bilateral, regional, and global approaches. Working hand-in-hand with the Office of the Secretary and Unified Commands, we are able to tailor the course to the needs of our international participants.

Program Overview:

In support of the Office of the Secretary of Defense's Regional Defense Counter-Terrorism Fellowship Program (RDCTF) or CT Fellowship Program This is a Department of Defense program that provides education and training to our international partners in the war on terror. Established in 2002, the program is a key tool for regional combatant commanders foster regional cooperation professionalize foreign counterterrorism capabilities to assist in the fulfillment of the command's responsibilities. We have developed a series of custom-built courses bilateral, regional, for and global audiences. The course title, "Civil-Military Response Terrorism", to describes our comprehensive approach to examining how governments can respond effectively to terrorism. This is not a course about the U.S., but rather, how governments can fight terrorism within their own political, budgetary, and societal circumstances. To date, we have educated over 1200 students from more than 66 countries

Why Combating Terrorism?

No single government can respond effectively to the new terrorism that has global networked support. Neither can any single agency within government execute the strategy necessary to prevail over terrorist networks. These conditions place international and interagency coordination at the very center of all successful strategies for combating terrorism

Courses

Courses are provided bilaterally (to a host country), regionally (at least a selected country), and globally (in-residence at NPS).

Bilateral:

A one-week mobile course conducted incountry. Course addresses host nation's concerns regarding terrorism threats, realities, and responses. The program utilizes case studies and simulation exercises to provide participants with the insight needed by decision-makers and their advisors to design successful strategies to contain or defeat modern terrorism.

Regional:

Regional courses are conducted in a country selected by the Regional Combatant Commander. The seminar together representatives from governments in the same region or sub-Seminars allow participants to region. become acquainted with the common threats they face—and with each other. If the global war on terrorism is to be won, it will be won in the regions.

Global:

Global courses are conducted at NPS in Monterey, California for 24-40 international participants. This two-week seminar is offered twice per year. The diversity of students brings about the largest number of useful ideas and insights during class discussions.

International Defense Acquisition & Resource Management Program (IDARM)

Why Defense Acquisition? Defense acquisition is big business. All countries face common challenges such as, how to create and sustain the most efficient and effective defense acquisition systems? Often, decisions about what to buy and how to buy must be made in a complex, dynamic environment that demands a balance between national defense goals and those imposed through alliances.

Countries have difficult choices to make regarding the best defense acquisition solutions.

How Can IDARM Assist Countries?

Every country has unique environmental considerations which affect acquisition, procurement, and logistics at the national and international level. One of the immediate challenges that many countries face is how to develop a defense acquisition decision-making framework that is flexible enough to adjust to the operating environment, yet is transparent.

Our mobile education courses (held incountry) are tailored to meet the systemic and emergent needs of the requesting country. Moreover, IDARM pushes the educational envelope by challenging defense acquisition decision makers to understand not just how or why their world works the way it does, but how they can improve it.

Our resident courses (at NPS) provide an opportunity for defense acquisition professionals to expand their knowledge with their counterparts from all over the world.

Courses

Three courses are offered in-residence at NPS. All are two weeks in length. The three courses, listed below, are also available as in-country mobile courses (1-2 weeks depending on country's needs).

Principles of Defense Acquisition Management - provides participants with an understanding of the underlying concepts, fundamentals, and philosophies of defense acquisition management.

Principles of Defense Procurement and Contracting - new and highly interactive course. Provides an in-depth examination of policy, procedures, and best practices applicable to all phases of procurement. Different models-U.S., EU, and NATOare examined. Participants work in groups to conduct proposal analysis and award and manage "mock" contracts.

International and Defense Acquisition Negotiations - focuses on planning and preparing for negotiations. Special emphasis is on negotiations of complex issues in a multi-cultural environment. Extensive in-class negotiations are conducted.

Implementing Strategic Planning

Below is a sample of our various programs that can assist a country in effectively managing its strategic planning in all areas, from personnel management, defense guidance to logistics.

Developing Effective Defense Personnel Management Policies MET

Development of National Task Lists MET

Transformation Strategies for Defense Reform MET

Translating National Level Policy into Defense Guidance MET

Developing Effective Defense Personnel Management Polices MET

This course is specifically designed for international civilians and military officers with personnel management responsibilities in the areas of policy, planning, implementing, and overseeing the human resources of the armed forces. Objective of the course is to provide information about personnel practices and policies management that proved successful in Western nations which the requesting country can adopt to its specific needs and requirements.

Development of National Tasks Lists MET

This seminar is developed for international civilians and military officers working in the areas of planning, force development, and educating the armed forces. The workshop will specifically address the following areas:

- 1) how to create a national Universal Joint Tasks List (UJTL);
- 2) understanding the NATO task lists;
- 3) how to develop service specific tasks lists; and
- 4) tasks, conditions, and standards to drive force development.

Transformation Strategies for Defense Reform MET

This tailor-specific seminar is geared towards international civilian officials and military officers with responsibility in security and defense policy, strategic planning, programming, and execution. The course provides instructions on defining and codifying the roles and missions of government institutions with responsibility in national defense and formulation long-term defense guidance and plans.

Translating National Level Policy into Defense Guidance MET

Key objectives of this course is to provide instruction in:

- 1) organizing defense issues for effective inclusion in a National Security Strategy;
- 2) developing and executing the recommendations of a defense white paper/strategic review;
- preparing and implementing an effective National Military Strategy; and
- 4) assessing where the recipient country is experiencing challenges.

This course has been very beneficial to countries in Eastern Europe and others.

About the Author Should you have any questions about the various CCMR programs listed above, please contact Mr. Richard Hoffman, Director, CCMR or his staff at: Commercial: (831) 656-3575/x2366; Fax: (831) 656-3351; Website: www.ccmr.org. You can email your questions to: mailto:ccmr@nps.navy.edu

DEPARTMENT OF NATIONAL SECURITY AFFAIRS (NSA)

By

Dr. Jim Wirtz

Chairman, NSA, School of International Graduate Studies Naval Postgraduate School

The NPS's Department of National Security Affairs (NSA) is unique among graduate programs that specialize in international relations and security policy. NSA brings together outstanding faculty, students from the Army, Air Force, Navy, Marines, National Guard, various defense agencies, and international officers and civilians from more than 60 countries to prepare tomorrow's military and civilian leaders for emerging security challenges.



Photo: Rod Searcey
International students at graduation ceremony

NSA provides a dynamic and exciting Many of our environment for students. professors undertake research projects sponsored by various U.S. government agencies with students' participation. What's more, our professors are engaged in mobile education teams worldwide providing assistance to countries and working with the host country's senior officials. NSA professors bring their first-hand experience, unique insights, and understanding of a country of region to the classroom, enhancing our students' understanding of the political/military dynamics of the country or region they are studying.

Masters Degree Courses

NSA offers Master of Arts (M.A.) level programs that vary in length from about 12 to 18 months in Monterey, California. With the exception of a few weeks off in December and the end of June, classes are in session continuously. Students can enter the program four times a year, in January, April, July, and October.

U.S. and international students can choose between two fully accredited curricula-Regional Studies and Security Studies.

Regional Studies:

NSA is one of the leading centers for regional studies education in the world. The curriculum meets the high standards set by the U.S. Army for Foreign Area Officer education. Students can specialize in the following four areas:

- Middle East, Africa, and South Asia
- Far East, Southeast Asia, and the Pacific
- Europe, Russia, and Central Asia
- Western Hemisphere

Security Studies:

The Security Studies curriculum is divided into several tracks for both U.S. and international students:

- Civil-Military Relations
- Stabilization and Reconstruction
- Defense Decision-Making and Planning
- Homeland Security (U.S. students)

Our Faculty and Students

Approximately sixty full and part-time faculty and over three hundred students are in residence at any given time at NSA. Most students complete an M.A. thesis as part of their degree requirements. Unlike other graduate programs, the Department does not rely on teaching assistants as instructors. Our faculty, not research assistants, teach all classes. NSA professors pride themselves on being responsive to the evolving needs of our students.

As noted previously, our U.S. students come from all branches of the military services-Air Force, Army, Navy, and Marine Corps-National Guard and defense agencies. Additionally, the U.S. Naval Academy and the U.S. Air Force Academy often send their best students to complete a master degree at NSA before they go on to other training.

Our international officers and civilians come from over 60 countries worldwide. They represent about one quarter of the student population at NSA. International students sit alongside their U.S. counterparts in virtually all classes (the vast majority of the classes are taught at the unclassified level).

Nowhere else do so many young officers gather from so many places to study so many vital issues. NSA offers the highest quality education to the future leaders of the world

About the Author: Dr. Jim Wirtz joined the Naval Postgraduate School in 1990 after teaching at Penn State University and the State University of New York. Should you have any questions about NSA, please contact him or **Professor Doug Porch**, the new Chairman (in February 2005) at the following number: Tel: 831-656-2521;

Website: www.ccc.nps.navy.mil/

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NATIONAL SECURITY AFFAIRS (NSA) GRADUATE PROGRAMS

Education that Meets Today's Security Challenges

By

Jessica Piombo and Karen Guttieri NSA, School of International Graduate Studies Naval Postgraduate School

Regional Security Studies Program

Why have ethnic conflicts erupted around the world, and why do they seem so intractable?

What can be done to impose a lasting peace that will strengthen the regional stability in these war-torn areas?

What are the strategic implications of NATO expansion, how and what can we predict for the future viability of NATO?

These and other questions occupy military and civilians alike in countries from Azerbaijan to Zimbabwe. Today's world demands that military and civilian officials be able to deal with a wide range of security issues, and educational programs that provide the tools necessary to respond to the changing environments.

What is the Regional Securities Program?

Our comprehensive Masters Degree program is tailored to the needs of the U.S. armed forces, related federal agencies and departments, and international military and international civilians in defense-related ministries.

Students enroll in one of four general curricula offered by the regional studies program. Each of these curricula contains sub-tracks that focus on specific areas of the world:

- Middle East, Africa, and South Asia
- Far East, Southeast Asia, and the Pacific
- Europe, Russia, and Central Asia
- Western Hemisphere

Each of these curricula has a set of core classes that all students must take, complemented by a set of curricular electives that enable students to tailor their coursework to their individual interests and needs. The typical degree program lasts between 12 and 18 months.

What Will Students Learn?

Courses are taught by world-class faculty-from Harvard, Columbia, Berkeley, Stanford, MIT, and similar institutions. Students will also learn from faculty members who have been advisors to the National Security Council, the U.S. Congress, analysts with the CIA, retired military, and leaders of non-governmental organizations.

Students will gain a variety of skills during their coursework. They will be able to clearly summarize large quantities of information and persuasively present recommended policy positions and courses of action using a broad range of verbal and written communications formats, whether short oral arguments or written summaries.

They will learn the origins and development of diplomatic relations between countries of world. the including negotiations of peace settlements, military alliances. arms limitation agreements, economic arrangements, and human rights accords. Graduates will proceed to their next assignments with an in-depth understanding of the cultural, religious, political, security, and military situation of a specific world region.

"I am a U.S. student. Having international students in one of the Southeast Asia counterterrorism discussion groups helped me gain insight into the perspective of the Muslim world...."

Bayani C. Dilag, Capt, USAF

"The most valuable experiences here are the possibilities to share and exchange different point of views with our US colleagues, as well as with other international students."

LT. Marcin Bielewicz. Polish Army

While at NPS, students encounter colleagues from a wide variety of services and countries. They form friendships that last well beyond their time at NPS, and which often prove integral in creating positive relationships and even diplomatic cooperation.

When U.S. military and civilians travel to foreign countries, they often can call upon friendships created while at NPS to assist in their missions. International students in particular form strong ties to their fellow countrymen while they are here that cross the traditional lines between different military branches, which help them to improve service coordination once they return home

Our Students

Our international graduates have met with great success after they leave NPS. Recent examples include.

Estonia: A recent graduate became the civilian policy advisor in the Department of International Co-operation in the Ministry of Defense.

Chile: A graduate is now the Senior Advisor to the Minister of National Defense. His NPS colleague is now the lead speechwriter on international issues in the MOD.

Georgia: A June graduate currently leads the Georgian Defense Resources Agency and is also tasked to help Georgia prepare for joining NATO.

Recent U.S. graduates have assumed integral positions in the joint combatant

commands (CENTCOM, SOUTHCOM, EUCOM and PACOM) and have become Defense Attaches in many countries (such as Russia, Senegal, and Brazil). They are chief counter-terrorism intelligence analysts (SOUTHCOM), interpreters, and advisors to battlefield commanders in Iraq. Several have gone on to teach at the Air Force Academy.

Security Studies Program

Our world has become increasing more complex, with new security challenges developing on a daily basis--counterterrorism, counterinsurgency, multilateral peacekeeping and reconstruction operations. coalition new structures. more, transformation in fighting technologies, and economic globalization are affecting our strategy, military planning and defense oversight capabilities. To face these new challenges, today's military officers and policy makers will need a broad knowledge and skills base in civil-military, interagency and multinational environments.

What is the Security Studies Program?

It is education that meets contemporary defense challenges. The Master of Arts in Security Studies Program offers three specialized tracks:

- 1) Stabilization and Reconstruction;
- 2) Defense Decision-Making and Planning; and
- 3) Civil-Military Relations.

Stabilization and Reconstruction - Curriculum (698B)

My experience with UN humanitarian operations in Northern Iraq in 1991 was validated by my learning experience at NPS, especially on matters of application of coherent strategy in post-conflict situations.

--Filipino officer



Photo:NSA

The first graduating class from the "Stabilization and Reconstruction" Program-December 2003

This is a 15-month graduate education program that develops a cadre of professionals that can plan and manage stabilization and reconstruction operations. To accomplish this, students will learn the requirements of stabilization and reconstruction - security, governance, transitional justice, and economic development involve multiple disciplines.

Students will also reflect the real-life post-conflict environment, where the military, Non-governmental organizations (NGO's), state operated agencies, and civilian agencies must work together. Participants will be engaged in a forum where various agencies involved in reconstruction and stabilization negotiate differences, roles and responsibilities, and build synergy to work effectively together in post-conflict environments.

Additionally, practical skills, such as negotiation and problem solving in multiorganizational contexts are addressed, as are issues in international humanitarian law, challenges of military operations in urban environments, and media issues in stability operations.

Defense Decision-Making and Planning -- Curriculum (689C)

(For U.S. students only). This is an interdisciplinary curriculum developed for the U.S. Air Force to provide future

strategists with an understanding of domestic and international variables that must be considered in national security policy.

[The experience of studying at NPS] helped me understand better the American way of thinking and the motivations and rationales behind major decisions

-- Civilian Romanian official

Civil-Military Relations -- Curriculum (689A)

This 15-month education program is tailored for U.S. and international officers, civilians from governmental agencies, and the U.S. National Guard. The program is designed to meet three related needs. First, the program gives students the skills they need to resolve the security problems confronting their own democracies. Second, the program offers an in-depth understanding of civil-military Finally, the program prepares relations. students to resolve the civil-military issues raised by participation in U.N. peacekeeping operations, membership in the Partnership for Peace and other alliances, and security cooperation between other nations and the U.S.

Our Students:

Our students all state that the multinational environment in the classroom is one of the most memorable features of their experiences at NPS. Our international graduates have gone on to very successful careers, including the following:

Ukraine: A recent graduate became the Director of the Euro-Atlantic Integration Centre, Ministry of Defense.

Hungary: A graduate is now the Military Advisor to President.

About the Authors:

For questions about program, please direct to:

Regional Security Studies Program: Professor Jessica Piombo (left), Academic Associate and Assistant Professor, (jrpiombo@nps.edu).

Security Studies Program: Professor Karen Guttieri (right), Academic Associate and Assistant Professor, (guttieri@nps.edu).

LEGISLATION AND POLICY

Strategic and International Studies

By Colin L. Powell U.S. Secretary of State

(The following are excerpts from the remarks to The Africa Policy Advisory Panel Conference, The Center for Strategic and International Studies, Rayburn House Office Building Washington, DC July 8, 2004)

I want to thank Walter and the Center for Strategic and International Studies for the opportunity to be with you this morning and to address this group of concerned individuals. I want to express my appreciation to all of the distinguished panelists for their hard work and for the thoughtful contributions they have made.

I have read the report that has been produced with great interest, and I am so pleased to see that many of the insights contained in the report reflect priorities that President Bush and his Administration are actively pursuing. It is good to know that we are all working on the same issues with the same perspective and that we're moving in the same direction.

When Walter told me that a distinguished panel of specialists was taking on this project, I was, of course, delighted. And I was even more delighted when I learned that Walter would be chairing the panel. Walter was a superb Assistant Secretary of State for African Affairs. And I'll never forget, he talked about love of Africa, passion for Africa.

I had found my Assistant Secretary for African Affairs. And over the next several years, he did absolutely splendid work and it was my privilege to come to know him as a valued colleague as well as a very, very dear friend

My gratitude also goes to Congressman Wolf for being the prime mover behind the legislation that created the panel. Frank cares deeply about the people of Africa, which is certainly an understatement. Passion pours out of him. Commitment pours out of him. Energy pours out of him, usually directed at me. And on a regular basis, Frank lets me know what he thinks is important with respect to Africa and what we ought to be doing for the people of Africa. I value his counsel and I am privileged to call him collaborator on so many initiatives that we have worked on together.

I also want to extend special thanks to Senator Feingold and Chairman Royce, and I know that Mr. Payne is also here, for their active interest and bipartisan approach toward shaping an Africa policy of which the American people can be proud.

Senator Feingold in particular has been a leader in fighting corruption and defending human rights in Africa, and in advocating public outreach to Africa's Muslim communities, and Chairman Royce has played such an instrumental role in the recent extension of the Africa Growth and Opportunity Act, an Opportunity Act, really, that gives such important impetus to our policies and priorities throughout Africa.

So many of the nations who have benefited from AGOA were wondering whether it would be extended and they were deeply troubled as to whether America remained committed to Africa. And thanks to the work of so many, but especially Chairman Royce, we have demonstrated that we do care by an extension of this Act. Because by breaking down barriers to U.S. markets, AGOA is having a major impact on the lives of millions of Africans while benefiting American consumers at the same time.

Over the past three and a half years, the Bush Administration has worked hard to build mutually productive partnerships with the countries of Africa. These partnerships have arisen from a shared commitment on the part of the United States and of African nations to freedom, and freedom means free peoples and free markets.

Together with African nations, we are building political partnerships, partnerships that promote democracy, that promote good governance and promote the health and wellbeing of Africa's greatest assets, not only its mineral assets, its natural resources, but the greatest of all of its assets: its people. We are forming economic partnerships that create conditions for attractive trade and development that will spur the kind of development needed for sustained growth in the nations of Africa.

We are also forging security partnerships, security partnerships that contribute to the global war against terrorism. We are working in partnership to end the destabilizing conflicts of the continent which have caused such devastation and misery, conflicts of the kind that we saw in the Sudan, in Liberia, the Congo, elsewhere. And now we are, once again, seized with a problem of a conflict in Western Sudan that threatens the country and threatens to undermine what we have been able to do in recent months with respect to the North-South conflict resolution process in the Sudan.

As you all know, I was in Sudan last week, just about the time that Congressman Wolf was there as well as Senator Brownback, and Secretary General Kofi Annan was there. Secretary General Annan and I were able to meet up and exchange notes and make sure

that we gave a consistent message to the Sudanese Government.

During my visit, as during Congressman Wolf's visit and Senator Brownback's visit and Kofi Annan's visit, all of us saw the suffering that the people of Darfur are incurring right now. All of us saw these individuals who have been driven from their homes by the terrible violence that is taking place in Darfur.

Humanitarian workers from our own Agency for International Development, from non-governmental organizations that I met with, told me how they are struggling to bring food, shelter and medicines to those who are so desperately in need: a population of well over a million. We're not sure how many over a million, but certainly at least 1.2 million, if not higher.

The African Union Ceasefire Commission that's now starting to set itself up and get to work, hopefully, will be able, in the near future, to be in a better position to monitor what is actually happening there. The general who is in charge of that mission, a Nigerian general by the name of Okonkwo, is somebody that we know well. He's the same Nigerian general who went into Liberia last year and helped stabilize the situation in there

In my meetings with the Government of Sudan, we presented them with the stark facts of what we knew about what is happening in Darfur from the destruction of villages, to the raping and the killing, to the obstacles that existed to relief. Secretary General Annan and I obtained from the Government of Sudan what they said would be firm commitments to take steps, and to take steps immediately, in short order, that would remove these obstacles, help bring the violence to an end, and do it in a way that we could monitor performance.

Now over the last several days since my visit and Frank and Sam's visit and Kofi Annan's visit, the Government of Sudan has made some announcements, made announcements with respect to getting the jingaweit under control, made announcements with respect to allowing humanitarian aid to flow more freely and to ending the problem of getting visas and to stop supporting those who are intent on violence in Darfur. We will continue to press them. We will continue to monitor them. We will continue to make sure that we are not just left with promises, but we are left with actual action and performance on the ground. Because it is absolutely clear that as we enter the rainy season, the situation on the ground must change, and it must change quickly. There are too many tens upon tens of thousands of human beings who are at risk. Some of them have already been consigned to death because of the circumstances they are living in now. They will not make it through the end of the year, through the fall.

So we need immediate improvement in the situation, and if we don't see that, then the United States and the international community will have to consider further measures. The United States has drafted a Security Council resolution that is now being discussed with selected members of the Council, a resolution which calls upon the Government of Sudan to immediately fulfill all of the commitments it has made to end the violence and to give access to aid workers and international monitors.

The resolution urges the warring parties to conclude a political agreement without delay and it commits all states to target sanctions against the Jingaweit militias and those who aid and abet them as well as others who may have responsibility for this tragic situation.

Too many lives have already been lost. We cannot lose any more time. We in the international community must intensify our

efforts to help those imperiled by violence, starvation and disease in Darfur. But the Government of Sudan bears the greatest responsibility to face up to this catastrophe, rein in those who are committing this ethnic cleansing and save the lives of its own citizens.

As I told President Bashir, Vice President Taha, Foreign Minister Ismail, the Minister of Interior and others, the United States wants to see a united, prosperous, democratic Sudan, and we are ready to work with the Government of Sudan. We have made progress at Lake Naivasha. We have signed protocols that have the promise of bringing that terrible 20-year-old conflict to an end. Security arrangements are being discussed. We hope to see a comprehensive agreement. We want to normalize our relations with the Sudan.

But normalization cannot take place, we cannot move in a more positive direction, unless this conflict that exists, this terrible situation that exists in Darfur, is resolved. We must see peace on all fronts, not just North-South but East-West as well.

President Bashir has repeatedly pledged to work for peace, and he did so again when we met. President Bush, the United States Congress, Secretary General Annan and the international community want more than promises; we want to see dramatic improvements on the ground right now.

And despite the promises that have been made, we have yet to see these dramatic improvements. Only actions, not words, can win the race against death in Darfur. And we will not rest. We will continue to apply pressure.

We will also work with the international community to make sure that all of those nations who have made pledges of financial assistance meet those pledges. The United States has been in the forefront of providing

assistance to the suffering people of Darfur and will remain in the forefront. But it's time for the entire international community to meet the pledges that they have made. We have provided \$132 million in this year alone, with another \$160 million identified for the next year coming up. Conflict and chaos of this kind that we see in the Sudan rob Africans of the future they want, the future they deserve. The goal of an Africa at peace is not an impossible one. It is one that is achievable if we work at it.

The United States will continue to work with our African friends and with the world community to help end these conflicts and to bring relief to those who are in such desperate need. We will continue to do all we can to facilitate ceasefires, such as many in this room have done in places like Sudan and the Democratic Republic of the Congo and Cote d'Ivoire, Liberia, so many other places.

We take encouragement from these agreements, but follow-through by Africans themselves will be key to seeing that these agreements stick. We will continue to work with Africans through ECOWAS and within the larger international community, work to heal war-torn societies so that violence does not return, work as we are doing in Liberia to settle things down.

We played a key role in relieving the Liberian people of the burden of an inept, corrupt and murderous government. We pressed hard for United Nations Security Council Resolution 1532. The resolution required states to freeze the funds, other financial assets and economic resources of Charles Taylor and his family and associates.

In February, the Liberia Reconstruction Conference brought forth many good faith promises from the international community. For our part, the United States has already allocated \$114 million of its \$200 million pledge, and I want to thank the members of Congress present, and through them, all of

Congress for helping us step up to the plate in Liberia.

The remaining \$86 million in assistance will be notified to Congress shortly and we urge our fellow donors, just as we did a moment ago in the Sudan, to make good on their pledges and to make good on those pledges quickly. Most important of all, we are working in partnership with Africans to address the underlying causes of conflict.

How do we get there? We get to these conflicts because people are dissatisfied, people do not see a better life in store for themselves. Countries where its citizens have responsive, non-corrupt governments, economic opportunity, and when there is hope for the future, are countries where conflict and chaos do not rage and tyrants and terrorists cannot rule.

Through a combination of continuing programs and bold new initiatives, President Bush and his Administration is working in partnership with Africans to help them move toward greater democracy, toward greater opportunity, and greater security and greater hope for a peaceful future for their children. Indeed, we have maintained or increased our assistance to Africa in virtually every category of aid.

The United States has helped to forge a new international consensus on promoting growth-oriented development through assistance. Experience has shown that development aid works best when that aid is targeted toward governments and countries that do govern justly, that adopt sound economic policies, and who invest in the welfare of their people and in the infrastructure of their country. infrastructure of their societies, to make that infrastructure more ready for the 21st century and that infrastructure more ready to help the young people of those countries get ready for the 21st century.

This new approach has influenced our Africa aid programs and at the same time, Africans themselves have embraced strategies for stability and prosperity along similar lines, such as the New Partnership for Africa's Development, or NEPAD, that you're all so familiar with.

Our direct bilateral aid to Africa continues to be a critical tool and in FY '04, we are providing more than \$2 billion in assistance to Africa. This is in addition to the funds Africa is expected to receive under the Millennium Challenge Account initiative and all of our HIV/AIDS funding. In FY '05, we will strengthen ongoing programs and deepen our engagement.

Under the President's very innovative Millennium Challenge Account initiative, we hope to ramp up to \$5 billion annually by 2006. When you look at that program in its totality, \$1 billion this first year, \$2.5 billion, we hope, from a generous Congress the second year, and then by the third year, \$5 billion a year.

This is the most significant development assistance program the world has seen since the Marshall Plan. I am very pleased that I see in the audience with us today the guy who is running it for us, Paul Applegarth. Paul, if you'd stand up so everybody can see who you are. He's the man with the money. (Laughter and applause.)

And this program was announced by the President in the State of the Union Address in January of 2003, and in 18 months time, which by Washington standards is rather incredible, we set up a freestanding corporation. I am the Chairman of the Board of this corporation. The Board is up and functioning and operating. We got a \$1 billion appropriation from the Congress, we got a good response in the Congress overall on the program, and we have already started to make deals, make compacts, with the countries that will be receiving this money.

Of the 16 countries that we identified recently as eligible for funding, we are delighted that 8 of those 16 countries are from Africa: Benin, Cape Verde, Ghana, Lesotho, Madagascar, Mali, Mozambique and Senegal. And later this month, in about ten days time, Paul informed me this morning, the Board will be meeting again to start to make a judgment as to what criteria will we use for the next tranche. This is not a one-time shot. When we enter into a compact with each of these countries for this first billion dollars, it will be a multiyear program and there's more money out there for more countries to receive the same kind of assistance in the years ahead.

What has impressed me is not only the gratitude we've received from these first 16 countries, but so many other foreign ministers from other countries are coming up to me saying, "What we do we have to do? How do we get in on this? What's our responsibility?" And I say, "It's pretty simple. Show me good governance. Show me the rule of law. Show me the end of corruption. Show me a commitment to human rights. Show me a commitment to an open economic system. Show me you're moving in the right direction. I might even give you a little threshold money to help move you in that direction. But this is the wave of the future, and the way you've been doing it in the past is in the past. And if you want to benefit from this, if you want to prepare your nation for the 21st century and prepare your young people for what's waiting for them out there, then you have to move in this direction."

Now, we're also doing this not at the expense of those countries who are not yet on this path, because our development assistance and our USAID and other accounts has also gone up significantly over the last several years. So the President is doing everything he said he would do with respect to supporting our programs in the undeveloped world, the developing world, and especially in Africa.

Global efforts toward fighting the HIV/AIDS pandemic is also part of our agenda for the world, our agenda especially for Africa. Our Global AIDS Coordinator, Randy Tobias, has already committed \$865 million prevention, care and treatment in 15 of the world's hardest-hit countries, and 12 of them are in Africa. Eight thousand people a day die. The greatest weapon of mass destruction on earth today: HIV/AIDS. You saw the reports coming from Kofi Annan over the last two or three days. Three million a year dead. Five million a year projected to die. This is unacceptable and we have to fight it with all the resources at our command.

We are doing a great deal, the United States is -- the United States Congress and the Administration. The rest of the world has also got to step up. This is a disease that can be dealt with. And in as many aspects, so many aspects of this disease, whether it's the education of young people, prevention, abstinence, anti-retroviral drugs and getting the costs down, and looking ultimately for a cure, not stigmatizing people who are suffering from this disease, all of these are part of a comprehensive approach to it. And we have to work hard to build partnerships with governments, businesses, faith-based organizations, NGOs and local communities to save lives and ease the suffering across the continent.

My Under Secretary for Global Affairs Paula Dobriansky and Ambassador John Lange from the Global AIDS Coordinator's Office will tell you more this morning about what we are doing this morning and I hope you will listen to them with great interest.

The ultimate goal of all of these efforts is not to find new ways of assistance, but in using the assistance that we give to empower ordinary Africans to start helping themselves to shape a better future for themselves. We want to help African nations reach the point that their citizens are not just able to scrape

by at subsistence levels but are able to succeed. We're looking not just for aid, but for trade to create conditions in these countries so that people will want to go and invest in these countries, not just to give them handouts. Handouts will only take you so far. Ultimately, you want functioning societies that attract trade and make dignity come into the home, dignity come into the country, because it can stand on its own two feet and it is not just taking handouts.

The Africa Growth and Opportunity Act does that by bringing in new investment, creating real jobs, and helping to form mutually profitable commercial linkages. Total AGOA-related exports increased by 55 percent in 2003 to \$14 billion, well over half of Sub-Saharan Africa's overall exports to the United States.

We're doing other things beyond development aid and beyond what we're doing with HIV/AIDS. One that I'm enormously proud of is the U.S.-led Congo Basin Forest Partnership, another way that we are building partnerships with creative African governments, non-governmental organization groups and the private sector. The Forest Partnership will help to safeguard Africa's precious natural heritage while at the same time promoting development, allow that heritage to be used in a sensible way that preserves it, but at the same time gets some economic benefit out of it in order to alleviate poverty and to enhance good government.

Under the Forest Partnership, we are supporting a network of parks and protected areas, well-managed forestry concessions and the creation of economic opportunities for communities that depend on the forests and the wildlife of the region.

When Walter and I were on one of our trips to Africa, we went to Gabon and we visited one of these parks that had been set aside by President Bongo. We set aside 10 percent of his whole country into these preserves.

Walter arranged for me to go out into the bush and see some of the animals and to admire the fauna and flora and whatnot, and everything was going great until my security people went out in the jungle in front of me. And by the time I got there because of all of the armed individuals running around and the helicopters circling there wasn't an animal within 500 miles. (Laughter.) So I saw some trees, but I didn't even see a mosquito. I have very, very good security. (Laughter.)

We are so proud of this initiative, President Bush is so proud that the United States has been in the forefront and we put \$55 million up for the first year and we're going to do more because it is that important.

"We will help nations on this continent," President Bush said recently, "to achieve greater health and education and trade with the world. Working together," he continued, "we can help make this a decade a decade of rising prosperity and expanding peace in Africa." That is his goal and it's a simple mission that he has given to me to help accomplish this goal.

And just recently during the June G-8 summit at Sea Island, Georgia, President Bush reaffirmed this commitment when he met with leaders from Nigeria, Senegal, South Africa, Algeria, Ghana and Uganda.

With bipartisan help from the Congress and the support of all those who have leant their expertise to this distinguished panel, the United States will continue to work in partnership with our African friends.

We will work in partnership to build an Africa where respect for human rights, good governance and economic opportunity are the norm.

Together, we will support the efforts of African countries to reform their economies so that they can compete successfully in global markets that stretch from Pretoria to Paris, Nairobi to New York, Timbuktu to Tokyo.

We want to see an Africa where "big men" do not define foreign investment as depositing stolen billions in foreign banks.

Together, we want to help Africans across the continent have access to decent schools and medical facilities, to safe drinking water, to good roads and railways, to electricity, and above all, access to the internet. We want to see Africa's great natural wealth in oil and diamonds and lumber invested in its citizens, not used to fuel endless conflict.

Together, we are all working for the day when Africa will be a continent of nations at peace within their borders and with their neighbors.

In short, we are working in partnership with Africans and their friends throughout the international community to hasten the day when all Africans can have hope in their hearts, food on their tables, and a better future for their children.

I want to thank you for this opportunity to highlight President Bush's policy of partnership with Africa. I wish to express once again my appreciation to all of you for your hard work on this very, very important report that you've completed and for your deep commitment to ensuring strong and effective American engagement with the nations of Africa.

Thank you very much.

Challenges of Peacekeeping in Africa

By

James W. Swigert

Principal Deputy Assistant Secretary of State, Bureau of International Organization Affairs

(The following is from a Statement before the Africa Subcommittee of the House International Relations Committee Washington, DC October 8, 2004 (As delivered))

Thank you. Thank you, Mr. Chairman, Congressman Payne, distinguished members of the committee. I welcome this opportunity to appear before you to discuss challenges of peacekeeping in Africa. And, with your permission, I request that my written statement be entered into the record

This is a timely hearing, Mr. Chairman. As the committee is well-aware, there has been literally an explosion in the growth of peacekeeping in Africa in this past year. Since October 2003, we've seen three new peacekeeping missions in Liberia, Cote d'Ivoire, and Burundi, and the Security Council just last week authorized a major expansion of the mission in Congo, the MONUC mission. The African continent, as vou pointed out, Mr. Chairman, now hosts seven of the UN's 16 peacekeeping operations, including the two largest ones, MONUC, and UNMIL in Liberia. The Security Council resolutions currently authorize over 37,000 UN peacekeepers in Africa, and that's out of 54,000 worldwide.

Over the near term, increased demand for UN peacekeepers in Africa we judge is likely, even as some missions like UNAMSIL in Sierra Leone are drawing down. As you know, planning has begun for a new mission in Sudan, contingent on a north-south peace agreement, and the UN is actively supporting the planning for expansion of the African Union monitoring mission in Darfur. Given the priority that the United States puts on bringing an end to their horrific violence in Darfur and securing completion of a north-south peace agreement, we have encouraged and we are actively supporting these UN

efforts. The UN needs to be ready to help the people of Sudan with peacekeepers once the conditions are right.

The UN itself sees challenges ahead in Africa across the board concerning peacekeeping. UN Secretary General Annan has warned that the number and scope of UN peace operations are approaching what may be their highest levels ever, improving prospects of conflict resolution, to be sure, but stretching thin the capacities of the system. There are lessons clearly to be learned from past operations, but I would submit, Mr. Chairman, that success depends most of all on adapting each mission to individual circumstances. Each operation is unique. The task of UNMEE on the static Ethiopian-Eritrean border. bears resemblance to the multi-dimensional tasks of UNMIL in Liberia, for example.

As you know, the United States pays the largest share of the costs of UN peacekeeping, currently 27.1%, and as the number and scope of operations goes up, that means costs are going up for the U.S. taxpayers. I can assure you that we at the State Department and in the International Organization Bureau take seriously our responsibilities to ensure good stewardship of taxpaver dollars. We approve peacekeeping operations only when we judge them to be absolutely necessary, in United States' interest, right-sized, with a viable exit strategy. and only after extensive consultation with the Congress.

In accordance with the American Servicemen's Protection Act, we also

scrutinize missions to ensure that American soldiers and UN peacekeeping operations are protected from possible assertions jurisdiction by the International Criminal Court. Through the U.S. interagency process, we examine UN reports on peacekeeping, taking them for what they recommendations. And the eventual resolutions voted by the Security Council often differ significantly from UN Secretariat recommendations.

To take the most recent case of MONUC, the secretariat had recommended expansion of the mission from 10,800 troops to 23,900, and its extension into vast new areas in the Congo. We eventually voted in favor of an expansion of the force to 16,700, reinforcing it in problematic zones, but declining to accept that MONUC deploy into provinces where it was not already present.

We regularly review ongoing UN peacekeeping operations to ensure that they right-sized. Recent examples downsizing in Africa as a result of such reviews include operations in Ethiopia and Sierra Leone. And I note your interest, Mr. Chairman, in Western Sahara and the operation there. At our urging, the Security Council has requested the secretary general to review the mission in Western Sahara.

Peacekeeping has changed dramatically over the past two decades, and the patrolling of the static cease-fire line, which was once the norm now the exception. UN is peacekeepers are regularly charged with responsibility not only of protecting themselves, but in many cases also innocent civilians in their areas of operations. There is a tendency, once a UN mission is on the ground, to expect sometimes more from it than it can do.

We need to be realistic about UN peacekeeping. We want the UN to succeed, not to fail, and we are therefore careful not to ask more of the UN than it can reasonably

do. As we review proposals for new missions and extensions of existing ones, we strive to ensure the UN missions which are often being sent to operate in dangerous places are properly trained, equipped and staffed to succeed.

The high end of the spectrum of peace operations includes the most challenging tasks, and for the forces engaged peace enforcement can prove much the same as warfare. Such tasks, we feel, are not well suited for the UN, rather coalitions of willing and able forces with a militarily strong state in the lead are better instruments. A good which believe. recent example, Congressman Payne, you referred to, was the intervention by the Economic Organization of West African States, ECOWAS, in the seriously destabilized Liberia in mid-2003.

ECOWAS became the vanguard for the UN force established several months later, and it important as we work on these peacekeeping issues that we work very closely with regional organizations like ECOWAS, like the African Union. They have repeatedly stepped in with the encouragement and the support of the United States and others in the international community. ECOWAS did so not just in Liberia but in Cote d'Ivoire in 2002, the AU did so in Burundi in 2003, and most recently the AU has gone to the Darfur region of Sudan with troops to protect AU ceasefire monitors and is in the process of vastly expanding this critical mission.

The willingness of African states to step up to the challenge has been exemplary. Mr. Chairman, the U.S. has strongly supported the secretary general's efforts to reform UN peacekeeping operations. As a result of the Brahimi Report of a few years ago, the UN has implemented reforms and more is being done. But UN reform is only part of the answer to meet the peacekeeping challenges. Another important part is to work with our

African partners and with other donors to improve the capability of the African armed forces for peacekeeping.

There are a number of U.S. programs underway. I'm sure the committee is well aware of ACOTA, the Enhanced International Peacekeeping Capabilities EIPC. You mentioned, program, Global Peacekeeping Chairman, the Operations Initiative. At Sea Island the president discussed this issue with his G-8 colleagues and they committed to an action plan to enhance global peacekeeping, with an emphasis on Africa and building up African capabilities.

In fact, as we meet today in this important hearing, my colleagues at the State Department are meeting with their colleagues address any questions that you might have from the G-8, from the African Union, from the European Union to discuss how we can better coordinate our respective efforts in Africa with an initial focus on civilian policing and strengthening the headquarter staffs of the ECOWAS and the African Union.

While all the efforts of African regional organizations, the UN and outside donors are critical in meeting the challenges of peacekeeping in Africa, Mr. Chairman, the most important element for success in conflict resolution is one that is perhaps the hardest to judge and the most difficult to foster. And that is the political commitment of the protagonists to the peace process that they are engaged in. Success of UN peacekeeping in particular depends on the readiness of the parties involved to commit to peace and to make the political compromises inherent to any peace process. That indeed is a key challenge for all of us.

Defense Trade Policy By

Lincoln P. Bloomfield, Jr. Assistant Secretary of State for Political-Military Affairs

(The following are excerpts from remarks to the Society for International Affairs Conference Washington, DC, November 8, 2004)

Timing is everything. SIA [Society for International Affairs] has, quite masterfully, timed this event after November 3, so that we may all take stock of the election results and look ahead. So to the SIA organizers I say: congratulations for that. The only problem is, President Bush and Secretary Powell have not yet worked through to the issue of defense trade policy, such that I can give you a first look at the second Bush Administration's handling of this important issue.

The best I can offer this morning is a series of observations and pertinent facts that, in my view, position the Administration for an approach that advances our national interests. I'd like to offer comments on four major players whose actions really matter to our defense industrial base and hence our nation's future security. These major players are: the U.S. Government, the Congress, allied governments, and – lest you thought I forgot – you, the U.S. defense industry.

The U.S. Government

What can we say about the Administration? Let me start with something the election post-mortem analysts seem to agree upon: that President Bush is tough on terrorism. Having worked on political-military issues for nearly four years in the State Department under Secretary Powell's energetic leadership, I can tell you that the fight against terrorism is our top priority. Even my own bureau within the Department has been operating 24/7 since three days after 9/11, 2001.

We've arranged the base access, overflight, and landing rights for U.S., allied and coalition forces for Operations Enduring Freedom and Iraqi Freedom. We have managed the flow of security assistance funding to partner countries worldwide and maintained a network of ambassador-level political advisors – POLADS – with the service chiefs. NATO, and all and functional combatant geographic commanders as well as task forces in the Balkans, Afghanistan and the Horn of Africa

Indeed, our friend and colleague, Turk Maggi, has joined the ranks of the POLADS. After leading a team to Baghdad last month and straightening out the legal arrangements for a robust supply of weapons to the training effort of the Iraqi security sector, has now signed on for more wartime duty. Today and for the next year, Turk is serving as our POLAD to the commander of the U.S. joint task force in Bagram, Afghanistan.

Since September 2001, we have reviewed and cleared – usually within a matter of hours rather than days – hundreds of deployment and operations orders, ensuring that important missions will be accomplished in an appropriate manner.

We have overseen the negotiating effort around the world for bilateral agreements protecting Americans from being turned over to the International Criminal Court without our consent – an effort that is very close to reaching 100 bilateral agreements.

We have been at the forefront of the effort to consult with allies in Europe and Asia on the Pentagon's new Global Defense Posture, and are similarly in the lead on the Global Peace Operations Initiative, an effort to improve readiness of up to 75 peacekeeping battalions around the world over 5 years, which was announced at the Sea Island G-8 Summit and featured by President Bush in his UN General Assembly speech this September.

Finally, I should mention that I and my bureau have gone long distances to all corners of the world to get rid of shoulder-fired missiles that could fall into terrorist hands. In the past year alone, we have destroyed close to 10,000 of these "MANPADS."

My point? The people in the State Department who are working overtime to ensure that our military forces and their warfighting allies are prepared and able to get to the front lines of the fight are the same people making sensitive arms transfer and licensing decisions.

I raise this because it is important for defense exporters to have a sense of what drives the policy process. You have seen the military services take a particularly strong interest in technologies like night vision, electronic counter-measures, and other capabilities that give American soldiers and airmen a decisive advantage in combat.

You have seen a concerted effort by DOD and State officials as well as the White House to respond to the voices of our allies and coalition partners asking us to pay attention to their own modernization and interoperability needs.

I am talking about countries that agreed to send troops and share the risks with American forces in Afghanistan and Iraq; countries that put up very large financial commitments and joined with the U.S. to develop and build the Joint Strike Fighter; countries that agreed to change their laws and pass treaties accepting significant new controls in order to connect their key defense industries to ours through a license exemption arrangement. In other words, countries that have made a clear strategic decision that their own security strategy is to work as our partners, through thick and thin.

I think it is worth noting that for those allied and coalition governments, sticking with the United States has not always been the easiest course politically. They are democracies, and they face tough opposition in their parliaments to spending more on defense, and committing troops to risky duty in wars which have not enjoyed unanimous support among their people.

And yet, these countries have stepped up to a share of the security burden post-9/11 – just as we have asked them to do. Our future plans for transformation and the new global defense posture will clearly work best with the strong participation and support of other allies and friends. These considerations are very much at the heart of our policymaking on defense trade. Defense trade policy is security policy, and is a foundation stone of the war on terrorism.

Congress

You might think the Administration would like nothing more than to be left alone by Capitol Hill on defense trade, but this is not so. We in the Executive Branch do best when Congress takes its oversight role seriously. That way, if we exercise our authorities in an unwise manner, there is a useful corrective.

The fact that we operate in the spotlight of Congress's oversight keeps us on our toes, ready to subject our actions to the scrutiny of a separate but equal branch of the government. To cite one legislator, I think Senator Lugar, the Chairman of the Senate

Foreign Relations Committee, sets a very laudatory example of exercising oversight in this area while keeping in focus the bigger picture of foreign policy as we confront the new dangers of this century.

In the second Bush Administration, my hope for Congress is two-fold:

First, I hope that the leadership in Congress will make a special commitment to stand with the President and support him on defense trade policy, bearing in mind that this Administration is solidly focused on national security imperatives with all the decisions we make.

And second, whenever Congress is reviewing the course of action chosen by the Administration in the defense trade area, if consultations with staff do not resolve the Hill's concerns, the members need to engage directly.

I also believe that any time the Executive Branch is asked by the Hill to modify its preferred approach to a sensitive defense trade or arms transfer issue, the decision to pursue an alternative approach must involve the members themselves in fulfillment of their oversight responsibilities.

I say this in the interest of public accountability, recalling that the Executive Branch operates under healthy scrutiny, where its actions can be investigated by the Congress's General Accounting Office, its papers can be recovered by the public under the Freedom of Information Act, and its officials can be asked to defend their decisions in a public hearing.

Allied Governments

Let me turn to the third major group of actors affecting the defense trade picture – allied governments. It is a fact that most of our allies have a tradition where defense exports are viewed as a sector of commerce, one that historically has not been subject to

strong governmental restraint, outside of the nuclear and related arms control regimes. There are exceptions, such as Japan with its post-WWII constitutional constraint on exporting weapons. Sweden is very rigorous in its defense export controls.

But the U.S. insistence on regulating every item on the Munitions List exported to any destination or end user, for any purpose, sets a standard that generally has not been matched by our security partners.

That said, these same partners have been trusted with highly sensitive intelligence, and their forces have received the same operational briefings as our soldiers, sailors, airmen and marines heading into hostilities. As a political matter, we have shown by our actions that we trust many allies with our soldiers' very lives. And in turn, those governments have proven reliable in safeguarding this information.

This reality informs our approach to defense trade. No country is immune from the risk of diverting our defense goods and technology once exported. The task at hand is to work closely with partner governments to reduce the risk and to police the flow of approved exports and transfers together, in partnership.

This is exactly the approach we have begun to pursue in the State Department with the creation of an Office of Defense Trade Policy, and far more overseas face-to-face, regulator-to-regulator engagement than has ever occurred before. The Administration is concerned about the European Union's interest in ending the arms embargo it imposed on China after the Tiananmen Square events of 1989.

It is important for European governments to keep a close eye on the regulatory view from Washington. As we think about sharing warfighting technology with our European allies, it is fundamental that we be assured of no possibility that these capabilities could migrate onward into the Chinese military. East Asia is a region where the U.S., Japan and others are exerting great efforts to maintain stability in the face of tense relations across the Taiwan Straits.

We have had a continuous and high-level dialogue with the European Union members, which has been useful in reminding many of them how much a positive defense trade relationship with the United States supports their own national security goals for the years ahead. We'll stay on this issue.

Defense industry

Finally, I want to say a few words to and about the U.S. defense industry. Those of you with experience working license approval issues going back five or more years will know that the Administration has fundamentally changed how we regulate defense exports. If I may single out one official, Lisa Bronson and her colleagues in DOD have made significant management reforms

In the State Department, we have realigned the defense trade office; increased the executive ranks and staff; established a response team that fields dozens of gueries a day without slowing down the licensing officers; rolled out D-Trade this past February, the fully integrated electronic defense trade control system; stepped up end-use checks around the world under the Blue Lantern program; and brought large and sensitive compliance cases to closure, many providing for remedial action that will discourage any repeat of the violations, so government that the can maintain confidence in our defense industry.

We have other, forward-looking initiatives that have not been brought to fruition as of this juncture.

Conclusion

Time will tell if the Administration, the Congress, allied governments and the U.S. defense industry can come together on sensible approaches that permit us to field sophisticated and interoperable capabilities, and to control technology sensibly in the digital age.

There are questions being raised about whether corporate America will move defense-manufacturing jobs overseas, and whether allies are more interested in acquiring our warfighting technology in order to exploit it commercially than to share future security burdens and risks with us.

There are questions about Congress's approach to the kind of collaborative arrangement we will need to design and field theater missile defenses with key allies, and other major weapons that may become priorities among ourselves and key security partners.

I don't know, in summary, how this will come out. There is little doubt that the Administration will call issues as they see them, from the standpoint of national security priorities. Congress, as I have said, has the opportunity to strengthen the President's hand in an area where our future armed forces members will thank them.

Allies who look to the U.S. as their key security partner will be, in my view, far more forthcoming in their exertions toward our common security goals if Washington can speak with a clear, united voice on the areas where we support aggressive collaboration and those we do not.

That leaves you, the defense industry. There are some potent forces at play that could change the terms of your engagement with traditional partners. I have touched on protectionism, fears of leakage to China, and

uncertain congressional support in some quarters.

My advice is to think strategically. Look far into the future. Make compliance with our laws and regulations a fundamental building block of your R&D, manufacturing and marketing operations. Focus on the warfighters, how they fight, how they win, and what they will need down the road.

And please, work with my team to make your licensing operations fully electronic.

I thank you for your kind attention.

German Marshall Fund's Transatlantic Center Third Anniversary

By L. Pow

Colin L. Powell U.S. Secretary of State

(The following are excerpts from remarks made by Secretary Colin L. Powell, Residential Palace, Brussels, Belgium, December 8, 2004)

Let me offer my congratulations to you on the third anniversary of the Transatlantic Center. You have done a terrific job in setting up this center and bringing it to this point. And I want to offer my congratulations to you as you head on to the next phase. Well done.

It's really great to be in this marvelous residence hall and as a guest of the German Marshall Fund. I am pleased to see so many distinguished persons here today, but especially pleased to see young people, students, the next generation of leaders of the European community that is such a friend and partner to the United States.

The German Marshall Fund does great work; it does it here in Brussels, in Washington, and at its offices across Europe. The Marshall Fund is one of the many sinews that bind us together into a true transatlantic community. Indeed, the work of the Marshall Fund, and of many other fine organizations, reminds us that transatlantic politics are anchored in the strongest transoceanic security, economic, and cultural relationship in all of history.

And there's a good reason for this relationship and the strength of this relationship. And that's because we're all family. American civilization, the experience of my nation through the past two centuries is rooted in Europe. The founding documents that mean so much to all Americans got their origin from the Enlightenment, got their origin from our

European roots. When you look at our Declaration of Independence and when you look at what it says about the function of a government, we got that from Europe.

The function of a government is to secure rights for people. Governments do not give rights, governments do not grant rights. Those rights come from an almighty and this whole purpose of government is to secure those almighty given rights for the people and to do it by creating a government that reflects the will of the people. The only source of power in a nation is the will of the people given to a government for the sole purpose of securing the rights of the people, the Godgiven rights. That simple philosophy is what has fueled my nation and fueled this transatlantic community, for the last 200 years in the case of my nation, and more than 50 years in recent history for Europe. And it's that same basic principle of what governments are for, and what men and women are entitled to, that is fueling change throughout Europe now, and through other parts of the world, as well. It's because we hold so much in common, and that this strong bond will never break, we can handle the bumps and bruises of transatlantic political life that can come along from time to time. And these bumps and bruises can be borne more lightly, and they can heal more quickly, than in less mature relationships. Transatlantic politics has its blustery days, but the weather

eventually improves. It's improving as I speak.

As the President made clear in his first post-election press conference, he wants to work more closely with all of Europe. President Bush said: "All that we hope to achieve together requires that America and Europe remain close partners. We are the pillars of the free world. We face the same threats and share the same belief in freedom and the rights of every individual." It's natural, therefore, that the President's first official visitor on his second term was NATO's Secretary General and his first overseas trip will be to Europe.

President Bush will come here looking to the future. But, he will come confident about the past, as well. I know that some of the President's key decisions these last four years have been controversial in Europe, especially decisions that were made about Iraq. Whatever our differences about the past and about Iraq, we are now looking forward. We're reaching out to Europe, and we hope that Europe will reach out to us.

Amid all the background noise of the past few years, we have seen a transformation in the transatlantic partnership. It has increasingly gone global. Like the Marshall Fund's activities, we used to be limited to half a continent and then, after 1989, we could operate on an entire continent. And now, in a post-9/11 world, we're taking the transatlantic partnership on the road, beyond Europe. And that is very good, because the transatlantic community is a community of freedom, democracy and peace: values that are today being emulated all over the world, universal values

But we are in a different world now. The threats are different. No longer is the Soviet Union that transcendent threat that focused all of our attention and energy. The threat is more diffuse, much harder to counter, will take greater effort in many ways on our part. Terrorism, the trafficking in weapons and narcotics and people, transnational crime these are the new threats. Now Europe, now with the Russian Federation, including the Russian Federation and the U.S. are intensely focused on how to fight these 21st century dangers.

More than ever before, we need to mobilize our resources and place our partnerships at the world's service. That's the future of the transatlantic partnership, and my trip this week to Europe, I think, illustrates the point very well. I'm participating in three meetings: yesterday it was the Organization for Security and Cooperation in Europe Ministerial meeting; tomorrow it will be the Ministerial Meeting of the North Atlantic Council; and, on Friday, the U.S.-EU Ministerial meeting. My predecessors as Secretary of State attended them all, as my successors, because these meetings, these conferences, these coming together of leaders of the transatlantic partnership come together. They come together, they meet, they meet, they talk, they talk, to grapple with issues of the highest significance, not only to Europe and North America, but to the world. All three of these organizations and meetings have important work to do in the days, months and years ahead.

Ever since its Cold War birth in Helsinki in 1975, the OSCE has been about freedom, democracy, and peace. Now, long after the Cold War, the OSCE continues its vital work. The OSCE is where North America and Europe come together to fight for human rights and against anti-Semitism, anti-Muslim bigotry and bigotry of all kinds. We can be proud that the OSCE has also developed

critical expertise at monitoring elections. Had it not been for OSCE and other monitors in the Ukrainian election last month, the will of the Ukrainian people would almost certainly have been thwarted and defrauded. The stakes were enormous, and still are, which is why we gave full support yesterday for continuing OSCE monitoring in upcoming Ukrainian elections.

Elections in young democracies can be galvanizing events, events that can instill confidence and bravery in entire nations as people stand up for their rights and demand an election, as they assemble, as we saw them in Tbilisi last fall, and in the Ukraine over the past few weeks, in Ukraine over the past couple of weeks. We see it happening, just as we saw it happening in October in Afghanistan, where the people came out to vote, to let their voice be heard. That election in Afghanistan wrote a new chapter in the history of a people, of a region, of an era. The OSCE played a vital role.

On Sunday, October 9th, I awoke to see what had happened overnight Afghanistan when they had their elections. I awoke to the news from the head of the OSCE Observer Mission that, despite all of the challenges, the Afghan election was free and fair. People came out in the face of terror, in the face of violence. The threat of death facing them, they came out. The President likes to tell the story of one of the very first voters, a 19-year-old woman who had never imagined that she would get the opportunity to express her view in this manner, and she did. Millions of Afghans voted. And yesterday we saw on television something that had never been seen in Afghanistan before: a new, freely elected president taking office. Afghanistan's parliamentary elections in April will build on that success, but for there to be another success the OSCE will be needed. And it will be there again.

Now is the time for the OSCE to expand its work still further. We want Afghanistan's success to be replicated in the Palestinian elections that are coming up on January 9th, and I hope the OSCE will be there. Also, we believe it is our obligation, in the spirit of the Helsinki final act, to help the Iraqi people have the kind of election that they deserve. And I hope that we can come together so that the OSCE can play a role in the Iraqi elections on January 30th.

But the OSCE is not just about democracy and human rights. In fact, in the 21 decisions agreed yesterday at our Sofia meetings, most concentrated on the OSCE's economic and security dimensions: container security, passport security, control of small arms and light weapons are all now part of the OSCE action plan. Not one of these will get a headline. They don't seem to be earthshaking, but taken together it is a body of work that is important and it is vital in dealing with the threats we are facing in the 21st century.

The pre-eminent transatlantic security organization, of course, is NATO. And I look forward to my meetings here tomorrow. NATO's mission has never changed: to provide security for the Atlantic world. But the wider world has changed, largely as a consequence of NATO's success. So, NATO has had to adapt in order to carry out its mission in new strategic circumstances. I've seen this process with my own eyes over many, many years. Tomorrow will be my last NATO meeting in a string of NATO meetings.

And if I track it back, I can go back to my first NATO meeting, which was 46 years ago next month, when I was a young

lieutenant and I assembled the 40 members of my platoon around me at the Fulda Gap and said, "We are NATO and as long as we win the battle at this little section of the Fulda Gap, western Europe and North America will be safe. Got it, guys?" "Yes, we got it." And so, I often like to brag, "if you want to know who won the Cold War, I did with my 40 soldiers at the Fulda Gap." But the fact of the matter is that when I first stepped foot on that piece of ground 46 years ago with my young soldiers, we knew why we were there. We knew the important role that this alliance that we were a part of was playing in preserving peace and freedom and preserving our ideals and preserving our way of life.

And 28 years later I went back as a corps commander, same place, same Fulda Gap, it was still there and the Russian 8th Guards Army was still on the other side of the line. But things were changing, and I could see those changes in all the NATO meetings I now started attending, first as military assistant to a great man, Secretary of Defense Cap Weinberger, in the early 80s. And we would go to NATO meetings and we had the darnedest arguments about things. People think that recent arguments are something. You should have been there when we were doing the INF deployments and we had marches all over Europe about this terrible American idea to deploy Pershing 2 missiles and groundlaunched cruise missiles to counter what the Russians had put in with their SS-20s. Terrible. Shouldn't do it. Demonstrations, bad idea. We did it. Europe stood firm with North America.

And several years later I was also proud to be the negotiator of the INF treaty, along with Secretary Schultz and Mr. Nitze and so many others, helped negotiate the INF treaty that eliminated all of them. Firmness of purpose, determination, willing to go against what was then the prevailing public opinion, because we knew what the right thing to do was. And as a result, we got rid of all of those weapons and we began to set the stage for what came later, a few years later.

I was there a few years later, with President Reagan, now serving as his National Security Advisor, as we would go to NATO meetings in 1987 and 88, and they had something rather unique about them in that as you sat there waiting for all of the 16 heads of state, government, to speak, every one of them had a different Gorbachev story to tell. And everybody had just met with Gorbachev, "This is a man we can do business with;" "This is a man who is making a big difference." Perestroika, glasnost, I remember those days vividly. And we all watched. Could it be so? Could it be the case that things were about to change?

And I watched that during my time as National Security Advisor, attending five summit meetings with Gorbachev, never forgetting the day he looked across the table at me, in the presence of Secretary Schultz, and he knew that I was unsure about where he was really going. And he looked across the table at me and he said. "Oh, General, I am so sorry, you're going to have to find a new enemy." I remember my reaction, "I don't want to. I've got a lot invested in this enemy, you know. Don't change my life just because you're having a bad day." Well, my life changed, our lives changed, the transatlantic alliance changed.

I was Chairman of the Joint Chiefs of Staff on that November night in 1989, when we saw the people of Berlin go to the wall and pound on it until it collapsed in front of them. I was there as Chairman of the Joint Chiefs of Staff at the beginning of the next decade when the Soviet Union ended, when the Warsaw Pact ended and when freedom broke out. And fragile freedoms broke out all across Eurasia like wildflowers in the spring. We went through all of this: the good, the bad and the temporarily mysterious.

And here NATO is at the end of 2004. I used to argue Russian generals when I was still Chairman at the end of the Cold War, just as things were breaking up in the Soviet Union. And they said, "Well, the Warsaw Pact is going away so NATO should go away. If you don't have a Warsaw Pact, you don't need NATO." And my response to that was, "You know, there's a certain logic to that. I can understand your point of view, but there's a small problem." "What's that?" "People keep asking for membership applications to NATO." And so, it is still a functioning, living organization. People still see a need for it.

Why is that? Because NATO is the bedrock of transatlantic peace and security. And it is a political and military organization that will change as the threat changes, as the need changes. And we have discovered that it didn't simply exist for the Soviet Union. It has another purpose, it has another life. It's embracing the former nations of the Soviet Union; it's working with Russia in the NATO-Russia Council in order to create a more secure transatlantic union and relationship, and to reach out and deal with the other threats that are out there.

And so now, at the end of 2004, NATO has emerged more active than ever, countering the new challenges of a new age. Now with 26 members, NATO does more than its founders ever could have dreamed of, and it remains open for membership. It was no surprise though, really, that this all happened. It's no surprise to me that the former members of

the Warsaw Pact would want to join NATO. They saw NATO for what it was: an organization that rests on the principles of peace, and individual dignity and democracy, and an organization that linked Europe to North American, to America and Canada in a way that provided security for the transatlantic area. Just one measure of the changes of the past 15 years.

Over those past 15 years so much has happened. An expanded NATO has gone from being an alliance mainly about the defense of common territory, to being an alliance that is mainly about the defense of principles, wherever those common common principles in the world have been violated or are being threatened. NATO used to be mostly about Europe, and outof-area issues were of secondary importance. I remember so many debates that we had about "out-of-area," it was one of those clichés we argued about all the time. "Was it the responsibility of NATO? Why are we worrying about these places somewhere else?" Now such issues are the main ones we face, and out-of-area is where they are and where NATO has to be.

What impresses me, though, is how quickly and successfully NATO has adapted to post-Cold War challenges. Adaptation started within Europe, in the Balkans. NATO's role in both Bosnia-Herzegovina and Kosovo has been indispensable, and we stood firmly with all of our NATO colleagues. Some worried about us at the beginning of President Bush's administration, but we made it clear in a simple American cliché, "In together, out together." And that's the way we approached it, and that's what we have done.

NATO's successful security mission in Bosnia ended formally just six days ago,

and the handoff to the new European Union mission there went flawlessly. NATO and the EU have learned how to blend their forces under the Berlin-plus rules: something people thought would be too difficult to handle, but we've handled it and it's working.

Since NATO's role today, however, goes beyond Europe, we must take steps to meet NATO's new challenges. We must reverse the decline in defense budgets and manpower in some member states and eliminate the bureaucratic or national impediments to generating forces. We've got to do more with respect to capabilities. If we are going to take on these additional missions and we must then we must match that intention, match those words, with real capability.

NATO's first major military operation outside Europe, in Afghanistan, shows what we can do when we have the will. NATO created a NATO Response Force that is already proving its worth in Nine thousand Afghanistan. personnel make up the International Security Assistance Force, which is commanded by a French general. Now that the opportunity provided by the election is at hand. the International Security Assistance Force needs to be strengthened, and expanded. We need to put our heads together to see how the International Force and U.S. forces in Afghanistan can best work together with Afghan national army forces. A merger between all foreign security forces in Afghanistan may make the best sense. We'll have to examine that in the months ahead

Another thing we have been working on which shows the vitality of the alliance: together this past June, we decided at the NATO Summit to establish a training mission for Iraqi security forces, as requested by the Iraqi Interim

Government, who came and asked for help: "help us, do something for us." That mission is now underway. NATO has also shown its capacity for outreach. We created NATO's Istanbul Cooperation Initiative. This supports reform in the broader Middle East and North Africa by offering training, joint peacekeeping and opportunities for coordinated security work. NATO's Mediterranean Dialogue reinforces the European Union's Barcelona Process, all coming together now with this Istanbul Initiative. And both of these, all of these, support the G-8's Broader Middle East and North Africa Initiative. At dinner tonight, I will join so many other foreign ministers at NATO's Mediterranean dialogue.

It will be meeting at the ministerial level for the first time in ten years to dig deeper into how we can best work with these Middle East partners. The nations of the broader Middle East and North Africa need our assistance, and we stand ready to assist in a way that the founding fathers of NATO could never have imagined.

I'm looking forward to being in Morocco on Saturday to attend the first meeting of the Forum for the Future to work with our partners in the G-8 and in NATO to advance our common agenda of reform with the nations of the broader Middle East and North Africa. The Forum will bring together some 28 countries inside and outside the region to concentrate efforts and resources on advancing reform. We're not trying to impose our way on others. We're not even trying to diagnose other people's problems. Arabs themselves, the UN in Human Development Reports, have shown that they know the deficits, and they know the challenges that they face better than anyone else.

Things are happening all over the region. Sometimes governments are acting, challenging their people to change. Sometimes civic organizations, civil society and brave individuals are acting. challenging their governments to change. Every situation is different; every country has its own path forward based on its history, based on its current political situation, based on its culture. We can help them. We've seen ferment, we've seen voices calling for modernization and reform, and it is an obligation of the industrialized world the G-8, the EU, NATO to reach out and help.

The Broader Middle East Initiative is designed to support those anxious for change, to amplify their voices. And these reforms can bring real gains to the people of the region. Economic reforms increase trade, create jobs and increase prosperity. That's what we're interested in the broader Middle East, that's what we're interested in throughout the transatlantic region. Political reforms increase the ability of citizens to have a say in decisions that their families affect them. and communities. Greater empowerment of women will give them the ability to feed, clothe and educate their children and to keep them healthy. Ensuring educational opportunity better prepares the young people of today to be the leaders of our world tomorrow.

We want to join with our European allies to support peace and positive change, not just through the OSCE, NATO, and the G-8, but also through EU-U.S. relationships. Much of what we do with Europe concerns economic affairs, trade and investment, scientific-technical sharing, energy and environmental research and other similar projects, and more besides. Above all, we cooperate intensely on putting terrorists out of business through intelligence and law enforcement channels and a host of

other means. This is the front line of our common defense against terrorism.

In addition, led by Italy on behalf of the G-8, the United States and the European Union are also working together to create international police units for deployment in post-conflict situations. So, as we work on the front line of defense against terrorists, we're also working to deny terrorists space to plot and the opportunity to recruit. To that same end, the United States and the European Union are increasingly on the same page when it comes to conflict resolution in the Arab and Muslim worlds.

For example, the United States and the European Union agree on the basic shape of a solution to the Israeli-Palestinian conflict. We both recognize that this conflict casts a shadow on all we try to do in the region. We both support two states, an independent Palestinian state and the State of Israel, living side-by-side in support peace. We both Israeli disengagement from Gaza and parts of the West Bank as part of the Road Map process, to get back in to that process. We both want free and fair elections for Palestinians, and we're both ready to help assure that outcome.

How do we do all of this? We work through the Quartet, which combines the diplomatic power of the United States, the European Union, Russia and the United Nations. Now, with changes in Palestinian leadership, President Bush is determined to seize this moment. We will be more active diplomatically, because we see an opportunity to make real, hopefully decisive, progress towards peace. We also have an opportunity now to work together in Irag.

I mentioned this a moment ago, but I really wanted to stress this point. Many of the 25 EU members are on the ground in

Iraq helping the Iraqi people and the Interim Iraqi Government, and their contributions are critical.

The Iraqi people want freedom. They want to choose their own leaders. They want to vote, and they want to vote without delay, they want to vote next month. We must not mortgage the future and the hopes of Iragis to the intimidation of terrorists and thugs. The prospect for success in Iraq is there, it's real. We won't let that happen, we can't let that happen. So yes, we see these bad news stories, but there is some good news coming out, as well. More than 80 percent of the country are involved in municipal elections to decide how they will be locally led. We see schools, and clinics, and business operating and there are places throughout the country where life goes on and futures are being built.

And we don't often appreciate enough the extraordinary bravery of so many Iraqis, leaders and ordinary citizens alike, who see their chance for a better future and are ready to risk it every single day when they get up because they believe in that future. And we must help them have a reason to believe in that future, knowing that that future will arrive, because we are going to be there to help them.

We have to remember what our goal is. We are aiming to give Arab democracy a chance in Iraq, in Palestine, and elsewhere. We are striving to put the power of liberty to work, where it's needed most. We know that this isn't easy. We know that democracy depends on certain attitudes and institutions that don't arise overnight. But, look at Ukraine. Look at what the Ukrainian people have done. The Ukrainian and Russian authorities are hearing a clear message from North America and Europe, in diplomatic stereo. And that stereo sound makes a difference,

and what do we say? "Let the people decide"

More than ever before the fate of Ukraine rests where it belongs: in the hands of the Ukrainian people. We in the United States and you in Europe admire the courage of so many who have stood by the rule of law, by the constitution, who have peacefully tried to resolve the difficulties encountered in the last election. We support a second run-off election on December 26th as the best way to restore confidence and the integrity of Ukraine's political institutions. We think Ukraine's highest court has judged wisely. And I am very pleased to learn this morning that so does the Rada, their parliament. They have passed the necessary legislation to put in place a process that will lead to a second run-off election on December 26th. Ukrainians are coming together to find a Ukrainian solution to this problem and we all stand by to help. All we ask, all we want, all we have ever wanted is a free, fair, open election, so the will of the Ukrainian people can be heard.

In today's world, the power of ideas flows stronger than ever. And the global community of democracies is larger than ever, like Ukraine, many societies are taking giant steps. It will take all of us, our combined efforts, to make sure they get the help they need, because we have so much common work to do in the Middle East and elsewhere. The United States has everything to gain from another capable, democratic partner in Europe. We have always supported European integration and we still do. We support the further expansion of the European Union. We want the European Union to develop its global presence, so that we will have the strong partner we need.

As our alliance moves ahead to meet the challenges of the future, I would like to

leave you with some thoughts. The future of our children and grandchildren we found in the stability and opportunity that democracy brings. The factors of democracy: public opinion, education, information, communications, affect even undemocratic regimes. You can't keep these ideas out any more. There are no political boundaries or boundaries of the mind that will keep these ideas from penetrating into the darkest corners of the world.

We must support democratic change wherever it appears. That is our policy as well as our credo. What President Bush calls the "transformational power of liberty" has been and will be the central element, the central push of U.S. policy for years to come.

We need to have the courage to seek fundamental change and not be satisfied with just managing or containing threats. We waited too many years for Saddam's Iraq and the Taliban to comply with the will of the international community. We must be willing to create and seize opportunities. Libya's rapid transformation from a danger to a rehabilitating member of the international community is a stunning example.

America and Europe together, through NATO, EU, OSCE, and other transatlantic institutions, must make their top priority the pursuit of our shared vision of a free, peaceful and democratic, broader Middle East. Our work on Israeli-Palestinian peace goes hand in hand with our support for reform and modernization in the region. America and Europe together must see the pursuit of democracy as central to the fight against terrorism. Healthy democratic societies are the best bulwark against terrorism, although our experience and that of Spain, Russia and others show

that none of us have immunity from terrorism.

America and Europe are partners not just because of what we are and what we stand for. We are partners because we act together on the basis of shared principles and values. Our values and our interests cannot in the end be separated. We also recognize we can only be effective if the United States and Europe work as partners: as partners in liberty and partners in action. That is what we have done for decades. It has been successful. It is what we must continue to do in the decades ahead in order to make sure that we continue our record of success.

You can be sure that in President Bush and in his administration, we will be doing and they will be doing everything they can to show to Europe our commitment to this partnership, our understanding of the successes achieved, and our willingness to pay whatever costs are necessary, to bear the burdens necessary, to ensure that we continue to be successful in the challenging years ahead.

Thank you very much.

President's FY 2005 Supplemental Budget Request

Condoleezza Rice U.S. Secretary of State

(Opening Remarks As Delivered Before the Senate Appropriations Committee Washington, DC February 17, 2005)

SECRETARY RICE: Thank you. Mr. Chairman, Senator Byrd, members of the Committee, I welcome and appreciate this opportunity to support and describe the President's fiscal year 2005 supplemental budget request, as it relates to our diplomatic efforts.

Today I would like to address the \$5.6 billion intended for urgent and essential international affairs activities. This is spending that we believe is absolutely crucial to our national security. I also wish to underscore that the supplemental funds for international affairs activities that we are requesting are meant to cover costs we could not have anticipated in fiscal year 2005 in the budget request, or to help us seize new opportunities that have arisen to advance the cause of freedom and peace since that time.

This supplemental funding will ensure that we are able to respond speedily and effectively to the needs of our steadfast coalition partners in the war on terror, to newly elected governments who are seeking our stabilizing assistance to move forward with reforms, and to the men, women and children swept up in humanitarian emergencies who have turned to us in need.

Let me now highlight several key elements of the supplemental request. The historic elections in Afghanistan and Iraq were dramatic victories for the human spirit. The Iraqi and Afghan peoples have bravely set their countries on a course to democracy. The supplemental funds we are seeking will help stabilize and accelerate their democratic progress.

The \$2.2 billion in international affairs funding that we propose for Afghanistan would help to widen the reach of the Karzai government, particularly in this critical time before the spring parliamentary elections. The funds would go to high-impact projects that could show results in the short-term or complete programs funded in prior supplemental requests. We seek approximately \$265 million for democracy and governance programs there. These monies would assist the government in the upcoming parliamentary elections, train parliamentarians and support activities to strengthen the rule of law, independent media and civil society.

We intend to put a special emphasis on efforts to increase the participation of women in public life. \$796 million is for infrastructure rehabilitation and reconstruction to improve the lives of Afghan citizens. This money would go to such activities as completing commitment for roads, building schools and health clinics and expanding the work of our civil military provincial reconstruction teams as quickly as possible. \$509 million would be applied to a comprehensive counter narcotics effort with initiatives in five areas: public information, law enforcement, alternative livelihoods, interdiction and eradication. About \$233 million of this funding would be needed to replenish resources that were reprogrammed earlier so that we could begin to fund this urgent counter narcotics activity. And \$400 million is to accelerate efforts to provide assistance to the Afghan police so that they can increasingly assume responsibility for their own nation's security. We're requesting also \$60 million to fund increased operating and security costs of the U.S. Embassy in Afghanistan, given the security situation there

Members of the Committee, we are also requesting \$1.4 billion for Iraq in international operations funding. For our diplomatic efforts in Iraq, we are requesting \$690 million to cover the extraordinary security and support costs of our operating -- of operating our embassy and \$658 million to construct a secure new embassy compound for our mission in Baghdad. Theses costs are directly related to the security and well-being of our men and women who are very much in danger's way in Baghdad.

The supplemental request would also support key partners in freedom. We propose \$150 million for Pakistan to improve its border security and increase interoperability with U.S. and coalition forces. Jordan, one of the frontline states in this war on terrorism, would receive \$100 million in economic assistance to promote stabilizing growth there and \$100 million in military assistance to bolster Jordan's counterterrorism and border security efforts.

All of our partners are critical to our success in Iraq and Afghanistan and to the prosecution of the global war on terror. Therefore, we seek \$400 million for support and assistance to partners that have faced financial and military hardship, as well as political hardship, as a result of

having contributed to the coalition efforts. Half of that funding would go to military funding so that security assistance could be provided to key partners with troops deployed in Iraq and Afghanistan; the other half would go to the Global War on Terror Partners Fund for economic assistance, which could be applied in a timely way to strengthen our ability of our partners to contribute to democracy and security around the world.

Mr. Chairman, we have seen how states where chaos and corruption and cruelty reign pose a threat to our neighbors, but also to us. President Bush has charged us at the State Department with coordinating our nation's post-conflict and stabilization efforts. We are asking for a little over \$17 million in supplemental funding for startup and personnel costs for the Department's new Office of the Coordinator for Reconstruction and Stabilization.

Another objective in this supplemental is to help our compassionate response to humanitarian emergencies. We are proposing \$701 million for tsunami relief and long-term recovery and construction programs in that devastated area.

We seek, too, \$242 million to replenish funds spent to meet the emergency humanitarian needs arising from the Darfur crisis in Sudan.

Since we submitted our fiscal year 2005 budget request, the United States has strongly supported the establishment by the United Nations Security Council of peacekeeping missions for Sudan/Darfur, Cote D'Ivoire, Haiti and Burundi. This supplemental requests \$780 million to pay the assessed costs for these new missions. These are missions that were not assessed at the time of the 2005 budget request. In

addition, up to \$55 million of this request may be available to support a voluntary contribution to a possible Sudan war crimes tribunal.

Supplemental funding can help us not only unanticipated meet needs emergencies, but it can also help us to welcome unexpected seize and opportunities in a timely fashion. The successful Palestinian elections of January 9th and the Israeli withdrawal plan from the Gaza and parts of the West Bank have created a new climate that is propitious for movement back to the roadmap. Both Prime Minister Sharon and President Abbas have called this a time of opportunity, and President Bush has announced an additional \$350 million to help the **Palestinians** build their infrastructure and sustain their reform process. \$200 million of that is included in this supplemental.

Supplemental funding can also help us to seize opportunities to translate the recent victory for democracy in Ukraine into successful governance. We seek \$60 million in supplemental funding that would go to help Ukraine's new leaders in advance of the March 2006 parliamentary elections seize this opportunity to consolidate their gains.

of Mr. Chairman. Members the Committee. this time of global transformation calls for transformational diplomacy. More than ever, in today's fastevolving international environment, America's diplomats need to have the resources to act swiftly and effectively to avert dangers and seize opportunities that allow us to tip the global balance of power freedom. The supplemental funding that we are seeking will help us to do just that.

Thank you, Mr. Chairman, and I'm pleased to answer any questions that you or the Committee's Members may have.

The Future of U.S.-Indonesian Relations: Building Mutual Understanding By

Ambassador Marie T. Huhtala Deputy Assistant Secretary of State to the USINDO-CSIS Conference

(The following are excerpts from remarks to the Conference Sponsored by the U.S.-Indonesia Society and the Center for Strategic and International Studies, Washington, D.C. November 17, 2004. *Editor's note*: These remarks were made prior to an expanded U.S. tsunami relief effort in Indonesia.)

I am delighted to be here, and greatly appreciate the opportunity to address this group on the important subject of U.S. relations with Indonesia. I would like to thank the organizers of this conference-USINDO and its president, my colleague Ambassador Al La Porta, and the Centre for Strategic and International Studies in Jakarta, represented today by Jusuf Wanandi. I'd also like to thank our host, the Paul Nitze School of Advanced International Studies of Johns Hopkins University, represented by Professor Karl Jackson.

You have chosen a timely moment to gather us all here to discuss the future of U.S.-Indonesia relations. Both countries have recently completed presidential elections, and our Presidents will have their first official meeting later this week at the APEC meeting in Santiago, Chile. They will have much to discuss, growing out of the increasingly close ties our two countries have enjoyed in recent years.

Indonesia, as you know, has experienced a dizzying series of changes since the fall of President Suharto in 1998, representing rather amazing progress in the country's democratization. With a vast, multi-ethnic nation and little history of democracy, Indonesia has faced a steep learning curve, but the results so far have been impressive. The country has experienced not one but four peaceful transitions, and this year it successfully conducted the first-ever direct election of its President.

The U.S. has been a strong supporter of this democratic transition. We view the stakes here as enormous, for as President Bush has stated, the success of Indonesia as a pluralistic and democratic state is essential to the peace and prosperity of the Southeast Asia region. For that reason, our President met several times with former President Megawati, both in Washington and in Indonesia. During their meeting in Bali in October 2003, President Bush hailed Indonesia as a vital partner and a "We share a friend to America. commitment to democracy and tolerance," he said, and "we stand together against terrorism."

So it's no exaggeration to say we are excited about the future of U.S.-Indonesian relations, and we're determined to do everything we can to see our relationship live up to its full potential. We have a broad agenda, and lots of work ahead. Let me address the most important areas we will be emphasizing.

Our first priority is to encourage continued Indonesian progress on democracy and justice. Elections alone, however successful, do not in themselves constitute democracy. We envision an Indonesia that is democratic in the full sense of that term, a government that is transparent and accountable to its people, respects the rule of law, and protects the human rights of its citizens.

This is not to denigrate this year's elections--far from it. Indonesians went to

the polls three times this year, voting for a new parliament and voting in two rounds for President. And the turnout in the September 20 runoff vote was a whopping 75%, exceeding anything the U.S. has experienced recently, even during our extraordinarily well attended elections earlier this month. These polls were Indonesia's second series, after the equally successful elections of 1999. This is an impressive track record, particularly the enthusiastic participation of the Indonesian voters.

But there have been other important milestones in Indonesia's democratization. The military has lost its privileged position in the legislature, and the new parliament that was seated last month is the first in history to have no serving members of the military. A new police force has been created, its members removed from their previous position as part of the TNI, creating a separation of powers that will encourage efficiency and accountability. Civil society is growing rapidly, even though much remains to be done. The emergence of a relatively free press is especially important and needs to be encouraged. Finally, the country is going through the most ambitious decentralization effort in its history, a process that makes tremendous sense given the far-flung nature of its 33 provinces, 421 districts, and over 17,000 islands.

We've been impressed by the early statements President Yudhoyono has made regarding the importance of democracy and accountability. Just recently, he spoke by video conference to the U.S. Chambers of Commerce and told us he is driven by "the hopes of the Indonesians who entrusted me to improve their lives." He spoke of the power of good governance and said he is establishing a team that will be judged by its performance. He said he

wants to establish a system that is accountable to the people and, looking ahead, he wants to "ensure smooth elections in 2009."

These are all very welcome statements. The United States has worked with the Indonesian Government in all these areas and we intend to continue doing so. Just this year, we provided monetary and technical assistance totaling \$25 million to the electoral process. We are also engaged in a range of programs to build capacity in the judicial sector, strengthen civil society, and help with effective decentralized governance, including education, health, and water services. These programs training for police. local include government and iudicial officials, internships for journalists, and special visitor exchange programs focusing on conflict resolution, human rights, and rule of law.

The best way to solidify democratic principles and practices, of course, is through educational opportunity. The U.S. is presently engaged in a 6-year program of more than \$157 million to strengthen the education sector in Indonesia. By providing support to Indonesian teachers and students, we hope to promote tolerance, counter extremism, and help provide critical reasoning and substantive skills so necessary in the modern world. These programs will strengthen the management of schools, improve the quality of teaching, and increase the relevance of education to work and life skills for Indonesia's youth.

Another very important element of our policy is seeking enhanced cooperation on security issues. Indonesians know better than most the devastating effects of terrorist attacks, and we were horrified by the successive attacks in Bali and Jakarta over the last 3 years. We applaud the

Indonesian Government's serious response to those attacks, led at the time by then-Coordinating Minister for Security Yudhoyono. Indonesia's police and prosecutors have arrested and convicted over 80 terrorists since the Bali bombings. Indonesia has established an effective counterterrorism police force, which is working hard to bring terrorists to justice. Nevertheless the threat of future attacks remains serious. We salute President Yudhoyono's announcements that arresting key terrorists is a priority for him, and that he would like to enhance international cooperation on terrorism. I can assure you we intend to explore such cooperation further.

We want to see an Indonesia that is open for investment and trade, and we want to see our U.S. investors playing a prominent country's role in the economic development. When President Yudhovono spoke to the U.S. Chamber of Commerce, he spoke movingly of his determination to address unemployment, which estimated at 10% of the population, and poverty, which he said afflicts 10 million Indonesian citizens. He said his is government's goal to reduce unemployment to 6% and to reduce poverty by half. We support those goals.

In addition to our assistance aimed at strengthening democratic institutions, the U.S. is making a major effort to help Indonesia relieve poverty and embark on sound economic development. In August of this year, our Embassy signed an agreement with the government of Indonesia for a 5-year program that will provide a total of \$468 million for basic education, water, nutrition, and the environment

If aid is an effective tool for economic development, investments are better because they tend to be self-perpetuating.

At present, about 300 U.S. companies have investments in Indonesia totaling over \$7.5 billion, and there are an estimated 3,500 U.S. business people there. Much of that investment is connected to Indonesia's rich natural resources. though there is some manufacturing as well. But we have to be frank about the potential for more U.S. investment. Many companies are reluctant to go to Indonesia because of the extremely uncertain legal system. They want respect for the sanctity of contracts, a clear and fair tax system, and most of all they want to do business in an atmosphere free of corruption.

President Yudhoyono has said that attacking corruption and establishing legal certainty are key priorities. We welcome those statements, and we hope to assist in improving the investment climate and legal system. We believe that enacting a clear investment law would be an excellent first step in that regard.

On the trade side, the U.S. and Indonesia signed a Trade and Investment Framework Agreement in 1996. That framework provides a sound basis for our discussions of detailed trade issues, and those discussions will continue early next year. Indonesia has recently taken important steps to uphold intellectual property rights, specifically concerning optical disks; the U.S. business community will be watching to see how those rules are enforced.

We are very interested in seeing Indonesia act as a stabilizing and responsible force in the region. Indeed, we have always viewed Indonesia as the cornerstone of regional security in Southeast Asia. In the past, Indonesia has played a significant leadership role in regional institutions like ASEAN and APEC. We look forward to seeing Jakarta reassert this prominent position in international fora and

institutions. Our two countries share the important strategic objective of a stable Southeast Asian region that is free of transnational threats, including terrorism, weapons of mass destruction, smuggling, and trafficking in persons. American interests are best served by a democratic, prosperous Indonesia that is secure within its borders and able to defend itself against transnational threats. For that reason we firmly support the territorial integrity of Indonesia.

Indonesia needs to be strong in order to be our partner in confronting the many challenges of this age. I have already mentioned the challenge of terrorism; another urgent challenge is in the realm of maritime security. The strategic sea lanes that pass through and along Indonesian territory carry roughly 30% of the world's sea-borne trade and are key transit routes for the U.S. naval fleet. Indonesia's vast archipelago is difficult to monitor. We stand ready to assist Indonesia address this important challenge in ways that we will decide on jointly, and we encourage the growing cooperation among Indonesia and its neighbors in this important field.

We also believe that as the country with the largest Muslim population in the world, Indonesia has a key role to play in demonstrating the virtues of tolerance and mutual respect in a diverse, multi-ethnic polity. The ability of so many Muslims to thrive economically and pursue democratic, just society shows the way forward for Muslim and multi-religious societies throughout the world. We currently help support the exchange of Pesantren leaders to the United States in order to promote understanding between our two countries, and we will continue to do everything we can to promote dialogue between Indonesians and the fast-growing community of Muslims in America.

As elsewhere in the world, the United States must address the range of our interests with Indonesia in an integrated way. Many of our national interests coincide with those of Indonesia, and we will work with Jakarta wherever possible in the spirit of the true friendship we share. Nevertheless, there are areas of disagreement, and we need to address those frankly.

Even as we champion a strong and democratic Indonesia secure within its borders, we must also support negotiated settlements to the conflicts in Aceh and Papua. We believe that in any area suffering from communal conflict there needs to be free access by humanitarian groups, human rights workers, and the media. We also believe that to realize their democratic vision Indonesians will have to find the appropriate ways to further strengthen civilian control over military and hold individuals accountable for abuses. Again, improving the judicial process, eliminating corruption in the judiciary, and creating professional standards will go a long way toward addressing these issues.

We also seek justice for the Americans and Indonesian murdered in Timika in 2002, an issue which continues to be viewed with urgency on our side. We appreciate the cooperation our FBI has received so far in its investigation, and we hope that the new government in Jakarta will do everything it can to bring those responsible for this atrocity to justice.

These same principles hold true with regard to accountability for the crimes against humanity committed in East Timor in 1999. We hope the Indonesian Government will cooperate fully with the UN Commission of Experts, as this seems to be the last and best hope for resolving this difficult and long-standing issue.

We are hopeful that the day will come when the U.S. and Indonesia will be able to enjoy fully restored relations between our respective militaries. We believe that U.S. assistance in the form of IMET and FMF would be in the interests of both countries. Unrestricted IMET training would especially valuable be strengthening the professionalism Indonesian military officers with respect to transparency, human rights, and public accountability. However, before that can happen we will need to resolve several issues to meet important Administration and Congressional concerns about human rights and accountability.

Let me conclude by emphasizing how much we all look forward to working with Indonesia as it enters this exciting new chapter in its history. Although many challenges will have to be resolved, we have a better opportunity now than at any time in the past to help strengthen democracy and respect for human rights, and contribute to the stability and prosperity of an important strategic partner. The United States considers Indonesia a valued friend, and we hope to make that friendship with this the largest democracy in East Asia even stronger in the years ahead.

The U.S. - Turkish Partnership

By Marc Grossman,

Under Secretary of State for Political Affairs

(The following are excerpts from remarks to the Assembly of Turkish American Associations, Omni Shoreham Hotel, Washington, DC, December 10, 2004)

Thank you very much, Bonnie [Kaslan], for that kind introduction. It is an honor and a pleasure to be here on the occasion of the Assembly of Turkish American Associations' [ATAA] 25th Annual Convention. I want first to pay tribute to the ATAA. Organizations like the ATAA bring our two worlds together, promote U.S.-Turkey ties, and enhance understanding. This is such an important event because it celebrates two great countries, and two great friends: Turkey and the United States.

Turkey was a different country when I took up my first assignment there in 1989. Turkey's GDP was \$104 billion, economic growth was flat, and per capita income, only about \$1,900, was declining in real terms. There was 65% inflation. Total trade with the United States was only \$3.1 billion.

There were few non-governmental organizations, no reasonable prospects for membership in the European Economic Community, and many in Turkey feared that their nation would become "irrelevant" following the fall of the Berlin Wall.

And today? Turkey's GDP is approximately \$300 billion and the economy has grown 16-17% over the past two years. Per capita income is approximately \$4,000, and inflation less than 10%. Total U.S.-Turkey trade in the first ten months of 2004 was \$7.6 billion.

NGOs and other Turkish civil society institutions have grown in importance,

Turkey has taken great strides forward, and Turkey is a leading member of an expanded NATO, which is meeting 21st century threats to our security.

We highlight today U.S.-Turkish relations. I report to you that U.S.-Turkish relations remain strong because we share many areas of common interest and concern, and because we work together as both allies and friends, in the Global War on Terrorism, in reconstructing Afghanistan and Iraq, and in so many other ways.

And, together, our two countries must continue to live up to our principles -- and our commitments: to our bilateral interests; to NATO; to freedom and democracy; and to economic prosperity.

First, our commitment to each other: Turkey is important to the United States. We must remain strong and reliable allies. We have disagreements at times -- but our relations are mature enough to withstand them. As Secretary Powell said in May 2003 when asked about differences we had had over Iraq: "Turkey is a good friend, a good ally, and . . . notwithstanding [any] disappointment of a couple of months ago . . . we have a good partnership with Turkey and I'm sure it will continue to grow in the years ahead."

Iraq remains high on our common agenda. A stable, unified, peaceful, and democratic Iraq is in all of our interests. Let me offer our condolences for those Turks who have lost their lives in Iraq. Their sacrifice is not in vain. Turkey has an especially important role to play in helping Iraqis create the kind of country they so clearly want by: assisting the

Iraqi Interim Government; supporting upcoming elections; and aiding economic development.

The United States is committed to the territorial integrity of Iraq and equality for all of Iraq's peoples. And the United States is committed to working with the Iraqi Interim Government and Turkey to rid Iraq of all terrorist groups, including the PKK.

I am worried about the anti-Americanism we see in some Turkish media and politics over Iraq. We know what is going on in Iraq is controversial in Turkey. But we need to approach this debate based on facts and conduct it as allies.

Second, Turkey and the United States remain committed to NATO. Turkey is a leader in a new, expanded, and adapted NATO, and has had a crucial role in the Alliance's involvement in Afghanistan and in the War on Terrorism. In February, Turkey will assume leadership of the International Security Assistance Force in Afghanistan for the second time

And last June, Istanbul played host to NATO's heads of state and government, providing a most fitting backdrop for a Summit that further expanded the Alliance and sought to extend the Alliance's vision of peace and stability through the Istanbul Cooperation Initiative.

A third bedrock principle is our continuing commitment to Freedom and Democracy. There is a crucial connection between freedom, democracy, and economic development and prosperity. We appreciate Turkey's role in the G-8's Broader Middle East and North Africa Initiative, and its leadership role in its Democracy Assistance Dialogue. I know that Turkey will enjoy even greater freedom and democracy because that is what Turks want. The ability to exercise freedom symbolizes genuine tolerance in a civil society. This includes religious freedom. That is why I believe Turkey should reopen the Halki Seminary in Istanbul and increase protection of non-Muslim religions' property rights.

Fourth, there is our joint commitment to economic prosperity. Turkey's economic reforms over the past three years have moved the economy from crisis to recovery -- and Turkey now has one of the world's fastest growing economies. Turkey has tremendous economic potential: hardworking, skilled people; a strong entrepreneurial spirit; and a strategic location.

The keys to further success will be: maintaining fiscal and monetary discipline; empowerment of the private sector and strengthening independent regulators; and creation of a better investment environment, including solving important investment disputes.

We can see all of this coming together with the European Union's December 17 decision on accession negotiations. Though the EU's decision next week is a European matter, our European friends know that we think that giving Turkey a date will lead not only to a stronger and more prosperous Turkey but is also in Europe's strategic interest.

Turkey has made great strides to meet the EU's Copenhagen political criteria:

- * A reduced military role in politics;
- * Constitutional and legal changes expanding individual rights;
- * Greater minority and cultural rights, including broadcasts in Kurdish;
- * "Zero tolerance" toward torture and, while there is room for progress, the government is prosecuting violations.

While there is more to do, as Secretary Powell said on Wednesday in Brussels: "When I look . . . at how far Turkey has moved to address and how it is trying to deal with the fundamental concerns that have been

expressed by some in Europe as to whether or not Turkey is ready for beginning the process of admission, it seems to me that Turkey has done a very good job. I would respond most positively if on December 17 the European Union came to that same conclusion."

Starting with the "earthquake diplomacy" of 1999, the last few years have witnessed a transformation in Turkish-Greek relations. One need only look back to the difficult mid-1990s, with dialogue that was more an exchange of warnings and threats and the regular need for U.S. intervention. Now, both governments regularly consult with each another.

Prime Minister Erdogan told President Bush that he wishes to see further improvement in Greek-Turkish relations and Prime Minister Karamanlis has told President Bush that he also shares this goal. We will do our part to encourage an even more positive, beneficial 21st Century relationship.

Another key matter is Cyprus. We regret that an historic opportunity for a viable, lasting peace was missed in the April 24 referendum. We remain committed to seeing agreement reached. Given the vote by Turkish Cypriots in favor of peace and a future in Europe, we are taking some steps to reduce their isolation, including easing travel and trade restrictions, and increase economic development.

Turkey at the end of 2004 should feel confident because it is more prosperous, and more democratic -- with a bright future and a key place beside the United States and as part of Europe.

The self-confident Turkey of 2004 is much better equipped than it was in 1989 to resolve outstanding issues such as those involving Greece, Cyprus, human rights, and religious freedom. I see the European Union's December 17 decision as a confirmation of all the good Turkey has accomplished and the

wonderful progress it has made, and as a launching pad for its future success and prosperity.

I'd like to end with a quote from President Bush's June 2004 visit to Turkey:

"[Turkey] has always been important for its geography -- here at the meeting place of Europe, Asia, and the Middle East. Now Turkey has assumed even greater historical importance, because of your character as a nation. Turkey is a strong, secular democracy, a majority Muslim society, and a close ally of free nations. Your country, with 150 years of democratic and social reform, stands as a model to others, and as Europe's bridge to the wider world. Your success is vital to a future of progress and peace in Europe and in the broader Middle East, and the Republic of Turkey can depend on the support and friendship of the United States."

The Summit of the Americas and the Caribbean By

Ambassador John F. Maisto U.S. National Coordinator for the Summit of the Americas

(Excerpts from Remarks at the Press Roundtable, Kingston, Jamaica, December 13, 2004)

Today I am going to concentrate on the Summit of the Americas. And the Summit process is a unique mechanism in this hemisphere, and it plays an important role in reinforcing the strong ties between the United States and the Caribbean, as well.

Here in the Caribbean we share bold objectives for the Summit process. At a meeting in May 2003, for example, The Caribbean Community and Common Market (CARICOM) foreign ministers stated that they viewed the January Special Summit--the one in Monterrey in 2004--"as an opportunity to advance regional issues and to re-engage the hemisphere at the highest political level in a shared vision for the creation of a hemispheric community which provided enhanced opportunities for the progressive economic and social development of all its peoples." Caribbean quote. CARICOM. We agree. We share those objectives, and we believe that each Summit should successively lead to deeper hemispheric cooperation.

A Commitment to Multilateralism That Works

My country recognizes the value of this type of sustained engagement with this region. That is why we are committed to this process, and that is why President Bush announced the Third Border Initiative at the Quebec City Summit of the Americas in early 2001. The Third Border Initiative provides a framework for U.S.-Caribbean cooperation that complements the Summit process, and we are supporting that framework with nearly \$4 million in funding

this year. And in the most recent budget that has come out that has been increased, if I am not mistaken.

At the Special Summit last January, the United States, CARICOM, and the Dominican Republic issued a joint statement that reaffirms our commitment the Third Border Initiative. democracy, to human rights, to open economies, and to strengthening our cooperation in responding to global and hemispheric challenges. The statement also calls on governments to work to implement a program for high-level consultations and joint working groups. More recently, the United States has agreed to provide almost \$120 million for disaster relief assistance--\$26 million to Jamaica, with its focus on job creation--to the Caribbean in the wake of the devastation caused by the hurricanes this fall. And let me add, parenthetically, that we must look to the next hurricane season to prepare, and I do have some comments to make about how we should--might--be going about that.

The United States recognizes that the majority of the challenges that our countries face in this globalized world require cooperation and mutual support. Like the rest of the countries in the Summit process, we are developing our agenda in the Americas in step with the agenda our leaders have established together.

And before I outline those priorities, let me mention this: President Bush was just elected for a second 4-year term. If you take a look at the speech he gave in Canada last week at Halifax--and I hope that the Embassy will provide you with a copy of it--there was a section on multilateralism. This President believes in multilateralism. This President believes in making multilateral organizations stronger and more effective, and not just talk shops, where issues are debated endlessly and no action is taken. That is something I call your attention to, as you contemplate Bush administration policy in the second 4 years. So, in this hemisphere, let me outline what the key priorities are:

- 1. To strengthen democracy for the benefit of all peoples through such instruments as the Inter-American Democratic Charter, the Inter-American Convention Against Corruption and good governance programs such as those at the OAS and the Inter-American Development Bank;
- 2. To foster prosperity and well being for all through sustainable growth, technical assistance programs, and the expansion of free trade;
- 3. To protect and promote human rights and inclusion through the Inter-American human rights system, the Inter-American Commission on Women, and similar international organizations; and
- 4. To improve hemispheric security, and especially the fight against drug trafficking, terrorism transnational crime, by working together in the Inter-American Commission for the Control of Drug Abuse (CICAD) a premier inter-American organization, the Inter-Committee American Against Terrorism (CICTE) which is meeting in 2 months in Trinidad & Tobago with an agenda focusing on airport

security, seaport security, cyber security and other similar organizations. And let me add right here that this agenda of the Bush administration is a bipartisan agenda as far as the United States of America is concerned. You don't find differences between Democrats and Republicans in the United States on this agenda. As a matter of fact, you find very little differences between the parties on Western Hemisphere agendas North, Central, South America and the Caribbean. It deserves a very close look. We are attempting to create a dialogue of cooperation.

Creating a Dialogue for Cooperation

The Summits both reflect our progress on these issues and provide a vehicle for moving forward. At the Quebec City Summit in 2001, for example, leaders called for establishment of this Inter-American Democratic Charter, which now exists, to promote the active defense of representatives of democracy in our hemisphere.

The Summit process also gave birth to our hemisphere's vision for integrating our economies and building prosperity through a Free Trade Area of the Americas, or FTAA. Leaders launched discussions on the FTAA at the first Summit of the Americas in Miami in the mid-1990s. The United States is fully committed to completing a high-quality agreement consistent with the framework that trade ministers laid out in Miami in November 2003. As co-chairs of the FTAA process, U.S. Trade Representative Ambassador Zoellick and Brazilian Foreign Minister Amorim have recently exchanged letters with a view to preparing the table for renewed progress. Both of our countries see this as a very positive step.

Related to the FTAA is the Hemispheric Cooperation Program that trade ministers established in 2002 to help ensure that small and developing countries benefit from free trade. The United States actively supports the Hemispheric Cooperation Program through programs that assist the private sector in becoming a competitive engine for growth. In 2003, the United States contributed over \$20 million to the Caribbean in trade-capacity building activities, and the total for 2004 will be more than \$32 million for that purpose.

Our commitment to free trade and democracy are really the tip of the iceberg in terms of all that we share in this Hemisphere. Geography, culture, security, and the environment also bring us together in different ways. And that is why our engagement through the Summit process is Our far-reaching. most comprehensive Summit plan of action, from the Quebec City Summit, contains 18 initiatives hemispheric different for cooperation. These initiatives range from infrastructure development to investment to hemispheric security and beyond.

Turning Words Into Actions

In between Summits, these themes and the mandates from the leaders serve to guide ministerial and technical processes. Each day, in hundreds of different ways, multilateralism--positive multilateralism, effective multilateralism--is alive in this Hemisphere, whether through sharing of best practices in the fight against drug trafficking (Operation Kingfish), supporting the Justice Studies Center of the Americas in its work to strengthen national judicial systems, collaborating to restore full democracy in Haiti, or sending emergency assistance countries to suffering from natural disasters. To that I would add: electoral observation missions

from the OAS. I would add support for trade efforts by the OAS special office for strengthening trade. There are so many things but yet no publicity. And the reason they get no publicity is because, you know. when democracy is moving forward. when there is effective international cooperation, that's like reporting on growing grass, or growing flowers. There's no news there. But it moves forward steadily. The goal of each of these activities is to ensure that the Summit process leads to positive and concrete results. If we don't achieve that objective positive, concrete, measurable results then we will have failed.

Leaders know that progress doesn't happen because of rhetoric. It happens because of specific, measurable achievements. And that is why, in the Summit process and other regional initiatives, President George Bush's focus has been on concrete objectives. Consider education. example. At the Quebec City Summit, President Bush announced a plan to establish hemispheric centers for teacher training. Three centers are now up and running in the South America, Central America, and Caribbean regions. The centers focus on reading instruction in the early years of schooling, where the opportunity for positive impact is greatest. With \$5.5 million in support from USAID so far, the Caribbean facility, announced here at the University of the West Indies, has trained over 1,700 teachers in the past 2 years. This means giving as many as 70,000 students from the region every year a better education. And that goes on year after year. And one of the things I am going to do today--one of the pleasant things I am going to do today--is to visit a school that has benefited from CETT and to visit the University where all of this takes place. This is something that my President initiated, and it's up and running here, and in Central America, and in South America. The Center, as well--and this is important has leveraged assistance from the private sector Scholastic, a children's publishing and media company and cosponsor of our Center here in Jamaica, is donating over 150,000 books to schools in the Caribbean.

In addition to education, leaders at each of the previous Summits of the Americas have stressed the need to respond to the threat posed by HIV/AIDS. President Bush's Emergency Plan for AIDS relief commits more than \$15 billion over 5 years to this cause, including \$9 billion for Haiti, Guyana and 13 other of the most afflicted countries. In the Caribbean, we are working with our partners to establish a network of HIV/AIDS training centers to help meet the demand for health care providers trained in HIV/AIDS and by the way, Jamaica is very [inaudible] in HIV/AIDS, and very dynamic. Efforts are under way to establish these centers here in Jamaica, as well as in Haiti, the Bahamas, Barbados, and Trinidad and Tobago. In addition, the United States is providing \$1 billion to ongoing bilateral programs in more than 100 countries, including nearly all of Latin America and the Caribbean, and the United States supports the Global Fund to fight AIDS, tuberculosis, and malaria. Here in this country there is a \$15 million World Bank loan to deal with AIDS I understand, and a \$23 million Global Fund grant, so there are efforts going on here.

The Bush Administration is devoting significant resources to economic development as well. At the 2002 International Conference on Financing for Development in Monterrey, Mexico. President Bush and other leaders recognized that, "each country has primary responsibility for its own economic and social development" and that, "sound

policies and good governance at all levels are necessary to ensure [the] effectiveness" of development assistance. In response, President Bush proposed a new mechanism for U.S. economic development assistance: The Millennium Challenge Account, or MCA. The MCA targets assistance at countries that meet essential governance criteria ruling justly (that means fighting corruption effectively, measurably), investing in their people (that means investing in education and health), and encouraging economic freedom (that means having the right policies to move a country forward). MCA is now receiving \$1.5 billion annually, and President Bush has pledged to increase funding for the MCA to \$5 billion by 2006, roughly a 50% increase over previous U.S. core development assistance. Bolivia. Honduras, and Nicaragua are currently eligible for assistance in this Hemisphere, and additional countries will be considered each year and there are Caribbean countries on the cusp for assistance as well. By the way, I talked about bipartisanism in the U.S. foreign policy approach. With regard to the Millennium Challenge Account and I don't know if I mentioned this to the Ambassador the latest issue of "Foreign Affairs" has an article by Morton Halperin, who was a key economic advisor to President Clinton, and Halperin has accepted and embraced MCA as a forward-leading, smart new approach to development and has called on Congress to provide money to the President (inaudible). This is an example of how we come together on foreign policy objectives in a bipartisan way in the United States.

Partnering for Reform

These examples demonstrate President Bush's belief that achieving concrete results on the Summit of the Americas mandates demands concerted, cooperative efforts. But most of all, it requires each country, as an equal and sovereign partner in the Summit process, to take responsibility for implementing the Summit framework the leaders have laid out. Often, this doesn't require new resources. But it does require political will.

At the Special Summit last January, leaders in Monterrey spelled out some of the most pressing tasks ahead, and focused on what each country needs to do to meet our objectives. Leaders limited the scope of commitments at the Special Summit to a few high-priority issues, both to magnify the opportunities and to get down to brass tacks. In other words, they agreed to get beyond the generalities and the rhetoric to take concrete actions by specific dates. Let me mention a few:

Leaders agreed to cut red tape and reduce the time and cost of starting a business by the next Summit in 2005. In all our countries. small and medium-sized enterprises are the backbone of the economy. According the Interto American Development Bank, micro, enterprises and medium-sized account for 99% of the businesses and 70% of the jobs in Latin America and the Caribbean. But the average time for starting a business 10 weeks is longer than in any other region in the world. And the average cost of starting a business is 60% of per capita gross national income. It's easy to see how this not only affects competitiveness, but also represents a very high barrier for the poor. Now I will say this: Jamaica is kind of it's at the top of the list. You do well in this area in terms of average time of starting a business. Of course, there is always the red tape, the bureaucracy component, and in practically every country in the hemisphere that issue deserves attention.

Leaders at the Special Summit realized that small business development depends, in part, on financing. So, leaders endorsed the Inter-American Development bank's goal of tripling credit through the banking system for small and medium-sized enterprises by 2007. They also committed to strengthen property rights and the use of property as collateral by the next Summit in November. Here in Jamaica, USAID and private sector financial institutions have addressed the issue of credit, for small and medium-sized enterprises. But, countries really want to grow. They really want job creation. This is the place to put your emphasis. This summer--and this is a multi-faceted effort on our part, too--the launched an Inter-American Alliance for Accountability on Property Rights with the goal of working together to define benchmarks for success and to encourage sharing of best practices. With a robust and stable property rights regime, individuals and businesses enjoy the collateral to take out loans and buy or sell ownership to others.

Social issues were also Special Summit priorities. Leaders agreed on the goal of providing antiretroviral therapy to all who need it as soon as possible and to at least 600,000 people living with AIDS before the 2005 Summit. That number, by the way, came from the Pan American Health Organization, which follows this subject very closely. Leaders also committed to improving accountability by publishing reports on their education systems before the next summit in 2005. Education reform is a huge issue in this hemisphere, and the ideas is to have publicly disseminated reports which would define benchmarks for success, and to encourage sharing of best practices among countries. So all of these together form the component parts of reforming societies to move them ahead in terms of growth. The object behind the education part is to enable parents, students, and decision-makers to identify opportunities for improvement and to help get people engaged at the grassroots in making education better. And by the way, and this is important, on the theme of corruption, the leaders committed to deny safe haven to corrupt officials, to those who corrupt them, and to their assets, and to set in motion a high-level effort to strengthen our hemispheric mechanisms for cooperating in the fight against corruption.

Conclusion: Working Together Toward the Next Summit

The next Summit is coming up in 11 months in Argentina, and the theme is going to be "Creating Jobs to Fight Poverty and Strengthen Democratic Governance." It's a theme that builds naturally on the concrete mandates from the Special Summit that I just reviewed with you. Robust job creation isn't possible without competitive economies, effective education and health systems, and efficient, transparent and honest governments.

The reason I'm here is because my government wants to maintain a dialogue with the Jamaican government, and with the Jamaican people, on the Summit process, on how to implement the commitments from previous Summits, and on the shape of the 2005 Summit--in particular, how to make sure it addresses real needs in concrete ways.

The next months are going to be very busy. The OAS will be hosting a civil society meeting to discuss the Summit theme at the end of January in Washington. In March, all the governments will be meeting in Argentina to begin discussions in earnest on the shape of the next Summit. In June, the United States will host the meeting of the

OAS in Ft. Lauderdale, Florida. We are very much interested in the United States—we are working with civil society, dealing with civil society regularly, to review the Summit commitment, to make sure that my government is following up on our commitment. This is happening in many countries of the hemisphere as well, because the leaders will have to report to each other at the next Summit on the commitment, and whether there was deliverance of the goals or not.

So we see, let me get back to where we are, at Fort Lauderdale in mid-year, in June we see the General Assembly as an opportunity to build on commitments, and in particular to focus on how we can strengthen democratic institutions to make them more effective, more transparent, and more accountable. This has to be a priority if we are serious about job creation, so we see the Assembly as leading right into the Summit, with a focus on practical ways to deal with job creation not rhetorical ones practical ones.

After the General Assembly, negotiations will intensify. So you can see that we don't really have a lot of time. We can't afford to wait until a couple of months before the next Summit in Lauderdale, chasing around saying, "Oh, what are we going to do." (Inaudible) My government has started and we're encouraging each of the Caribbean governments to do the same. So that's why I am here--post the election, to raise the American government flag and to call attention to the fact that we have the opportunity for effective mulilateralism coming next year, with the OAS, and through the Summit process, and it is up to us, all of us, to get started. Not just the government types, not just the bureaucrats at the Embassy. But the media have to be cognizant of this and civil society has to take ownership as well. Because democracies are the property of all of us.

America and Japan: A Common Vision By Mitchell B. Reiss

Department of State, Director, Policy Planning Staff

(Below is an excerpt of remarks delivered to the Japan Institute of International Affairs, Tokyo, Japan November 30, 2004)

Thank you, Yukio. And thank you all for your very warm welcome. It is good to be back in Japan. Wonderful to be among so many old friends. And exciting to be here in Tokyo at a moment of enormous global opportunity and change.

The Japan Institute for International Affairs was founded in 1959 at another such moment of vast global opportunity. Leading Japan out of the ruins of World War II, presiding over a once-shattered political and economic system, Japan's visionary prime minister, Yoshida Shigeru, charted a new course for this country in the postwar era.

- Yoshida was farsighted. And not just because his initiative led to the creation of this Institute.
- He also saw the need for a new Japanese role in world affairs close partnership with the United States, to be sure, but with a distinctively Japanese sense of national purpose in the postwar international order.
- Yoshida forged an enduring alliance with the United States.
- He worked to foster and consolidate a now-flourishing democracy.
- He signed the peace treaty that returned Japan to the community of nations.
- He set this country onto a course toward commercial greatness, concentrating Japan's resources and energies on sustained economic growth.

• Finally, Yoshida set postwar Japan on a path not just to wealth and power, but also to global responsibility.

Today, the heirs of Prime Minister Yoshida are rising to the new challenges of a new era. And together, American and Japanese leaders seek nothing less than to define a new international system and our shared role within it. We are doing so on a solid foundation--a deep awareness of our commonly held values and our commonly held commitments.

It is both natural and significant that Japan should participate in the emerging global conversation about the future of the international order.

- Japan is America's key ally in the Pacific.
- You have the world's second-largest economy, responsible for nearly 12% of global GDP and almost 6% of global merchandise trade.
- Your financial and equity markets are important to international stability.
- You are the world's second-largest donor of official development assistance.
- You have a highly-capable military that has contributed to a variety of humanitarian, reconstruction, and peacekeeping missions that have helped to keep and support stability around the world, not least in Iraq and in support of operations in Afghanistan.

 Japan also is investing in many pacesetting technologies, including nanotechnology and renewable energy, which will form the pillars of tomorrow's international economy.

In short, by building on the skills of its enormously talented citizens, Japan's leaders are fostering the vision of a more global Japan.

I must tell you that Americans well recognize the significance of what is happening here. As a very good friend of Japan, the Deputy Secretary of State, Richard Armitage, has put it, "Japan is putting its skillful hands on the tiller of the international community, no longer content simply being a passenger," but charting "a course to a direct and rightful role in shaping a better future."

This is consistent with one broad theme that has defined modern Japanese history-a Japan that adapts constantly to the challenges of its time. This year, we celebrate the 150th anniversary of another such moment, the Treaty of Kanagawa, which opened relations between the United States and Japan. Signing the treaty in March of 1854, Commodore Matthew Perry and Hayashi Daigaku-no-kami helped to usher in the era of Japan's opening to the industrialized world.

Ever since, Japan has seen numerous such breakpoints:

- In 1868, when Meiji leaders launched the movement that led to Japan's own industrialization.
- In 1945, when postwar leaders began working to plant democracy on these shores.
- In 1951, when Yoshida led Japan back into the community of nations by signing the San Francisco Peace Treaty.

- In 1960, when the Treaty of Mutual Cooperation and Security laid the cornerstone of the U.S.-Japan alliance.
- In 1991, when the crisis of "checkbook diplomacy" forced a wide-ranging strategic debate and the beginnings of a rethinking of Japan's place in the world.
- In 1996, when the Joint Declaration reaffirmed our alliance in a new security environment.
- And then there is the current moment, when an emergent Japan is stepping out smartly onto the international stage. This Japan is more globally-oriented. More self-confident. More comfortable with its power. I know my list of historical moments is not exhaustive. But I recite it because I believe the current moment, too, will be remembered as a point of breakthrough for Japan.

This period is critical for two reasons: First, as the Deputy Secretary has put it, the United States now recognizes Japan as "an equal partner in a mature relationship. Japan can count on America and increasingly, America can count on Japan."

Second, there is, quite simply, no regional or global challenge the United States cannot tackle more effectively in partnership with Japan. In the face of so many tests to the global order, the alliance can-- and should--be a force for progress.

We are making great strides to define it in precisely this manner. Japan is part of a great coalition against terrorism, as well as a key partner in rebuilding Afghanistan and Iraq. We bring a robust tool kit to the challenges of preserving international order. We share diplomatic, financial, military, scientific, and commercial capabilities to battle poverty and disease,

environmental degradation and proliferation. We are working to support the quest for energy security and to sustain economic growth.

In short, ours is a living and breathing alliance. A dynamic alliance. We are actively defining a common future, not just looking backward to the glories of a shared past. In practice, this means our alliance must aim, first, at joint stewardship of the global system. It cannot be defined simply as a defensive balance of power. It should also be distinguished by a pooling of our very considerable resources, strengths, and capabilities to meet the challenges of the current age.

Let me characterize what I mean by describing the mission of the alliance as three broad clusters of issues:

- 1) a diplomatic and security-related basket;
- 2) a global and transnational issues basket; and
- 3) an economic and financial basket.

A Diplomatic and Security-Related Basket

In the first issue basket--diplomacy and security--the stakes could not possibly be higher. It has become a cliché in the United States to say that September 11th "changed everything." But it certainly did change some things and pointed to new and emerging strategic trends.

For one thing, it renewed and refocused our efforts in the struggle against international terrorism. It demonstrated the challenge of failing states--for instance, countries, such as Afghanistan, where weak sovereignty allowed global terrorism to take root. It pointed to new proliferation challenges, including those from Iran and North Korea. It made clear that terrorists seek to obtain the world's most destructive weapons. It reinforced the need to rebuild

shattered societies, as we now seek to do in post-Taliban Afghanistan and post-Saddam Iraq. And of course, in a world where Al-Qaeda operates in sixty countries on six continents, it sensitized us to the increasingly global nature of the threats arrayed against us. Of course, the contemporary security challenge does not begin and end with terrorism.

The international balance of power, too, is changing. China and India bulk larger in world affairs. Two-and-a-half billion people in these two countries alone have been empowered, helping to shift the world's center of strategic gravity from the Atlantic to Asia. Together, the United States and Japan must continue to offer both countries a constructive course of integration into the international system: challenging a rising China to rise also to its global responsibilities; encouraging India to play a role in world affairs befitting a thriving democracy of over one billion people.

What is more, we need to ensure that the trends accompanying strategic change do not alter the open and inclusive nature of the international system that the United States and its partners have promoted for the last five decades. The fundamental strategic challenge of today is to forge a new international order adapted to the strategic realities of 2005, not 1945. But in doing so, we must ensure that new architectures and regimes remain as open as those of the immediate postwar era to the participation of countries whose interests and capabilities give them a stake. This is particularly true in East Asia, where resurgent pan-Asian ideologies are, in ways, challenging existing some architectures and political structures.

We all recall the strategic debates of the 1990s, when so many analysts blithely dismissed the prospects for economic and

institutional integration in Asia. Asians, we were told, were handicapped by traditional strategic fault lines among the powers. The region lacked "meaningful" institutions and could not be expected to overcome the divisive "legacies of history."

Well, Asia is not 19th century Europe. And Asians are proving it every day. East Asians are developing a distinctive path to regional integration. And the United States, as a traditional western Pacific power, must remain involved.

It has not escaped our notice, for example, that a regional trade and financial system is emerging, pushed forward in part by accelerating intra-Asian trade and investment. This poses some challenges for the United States--and, by extension, for the U.S.-Japan alliance. For our part, we seek an East Asia that is open inclusive. We want a regional architecture that allows states to build partnerships with each other, as well as partnerships with the United States. Some of these partnerships already exist, and we are working with Japan and to improve them. There is APEC, and there is the ASEAN Regional Forum. But we also seek to capture the promise of cooperation among the region's major powers. Whether it is energy security or environmental pollution. shared transnational economic interests increasingly bind at least five of Northeast Asia's major states together. If the 20th century was marked by the struggles among the powers, we now have an opportunity to define a new pattern of cooperation in Northeast Asia, while addressing common challenges as a group. And in all of these efforts, we must turn to new tools as we fashion a diplomacy for the 21st century.

Japan, I should note, is well-positioned to deploy at least three of these tools in coordination with the United States and like-minded countries: diplomatic tools; military tools; and support for UN-authorized regional policing and peacekeeping.

Diplomatically, Japan remains pivotal to keeping the Six-Party Talks on track and is helping to smooth the way for a United Nations role in Iraq. In January, you take up a non-permanent seat in the UN Security Council. We look forward to working closely with Japan. But as our distinguished ambassador to Tokyo, Howard Baker, has pointed out, Japan's achievements, influence, and interests have earned it a seat at the top table for the negotiation of international relations. Even as we look forward to January, then, we continue to support Japan's permanent membership in the Council.

Militarily and politically, we are so very pleased and grateful that Japan has provided key support in the war against terrorism, for operations in Afghanistan, and as part of the coalition in Iraq. We lament the tragic deaths in Iraq of your diplomats, Mr. Oku and Mr. Inoue, and of course the brutal murder of Koda Shosei. This sacrifice will not be in vain.

I know there is considerable debate in this country about future roles and missions, not least for the Self-Defense Forces. I would note simply the significance of what has been referred to as the "Araki Report" on defense and security capabilities. It has much to say about transformation, including in the intelligence arena. New legislation, support of refueling operations in the Indian Ocean, and of course the historic deployment to Iraq point to the beginnings of a far-reaching transformation in Japan's security posture.

For our part, we are determined to work with Japan to ensure that our alliance partnership keeps up with the times. Our ongoing defense consultations--the socalled "DPRI" process--aim to enhance deterrence while taking into account local community concerns about the footprint of our military bases.

Japan is playing another unique role in international security by supporting peacekeeping operations in East Timor, Cambodia, Mozambique and the Golan Heights. You bring real strengths and capabilities to these missions, including peacekeeping. civil engineering. reconstruction, and policing. We live at a moment when we must actively build the peace. As your Prime Minister has pointed out, the spirit and ideals of your constitution call for Japan to be nothing less than a force for global peace.

A Global and Transnational Issues Basket

The nature of global security is itself changing, raising a variety of new and emerging challenges in the second basket: global and transnational issues. Traditional challenges have been ioined transnational ones. Globalization has brought new vulnerabilities along with new opportunities. It has shrunk the globe, spurred growth, and spread wealth and capital, technology and skills. But it also has unleashed terrorism and disease, crime and cocaine, climate-destroying pollutants, and traffic in slaves and women

Such problems have altered the very nature of international politics. For one thing, they cooperation imperative, make more because no one country can fully resolve these problems by itself. For another, they require great creativity in deploying available policy tools. These can include development assistance, anti-poverty programs, breakthroughs in science and technology, investments in people, and of course greater multilateral coordination. The good news is that Japan and the United States have the potential to be at the

forefront of that cooperation. We are the world's top two aid donors. We are leaders in research and development of technologies that will have a profound effect in the struggle against disease and environmental degradation.

With the Millennium Challenge Account, President Bush has requested a 50% total increase in foreign aid by 2006, the largest increase in U.S. aid programs since President Kennedy. We offer a new approach to poverty alleviation that fosters market-based incentives to encourage better governance the world's in developing countries. We offer a contract: reform your political and economic institutions, and we will support your efforts.

Japan is well-positioned to join us. Already, we have begun a strategic foreign aid dialogue under the joint chairmanship of Under Secretary of State Alan Larson and Deputy Foreign Minister Fujisaki Ichiro. Our aid can--and should--be targeted. Japan is among the largest aid donors to Pakistan, Jordan, Indonesia, and other strategically-located Islamic societies that are on the path to modernization and reform. You are a presence in Africa and Central Asia. You hosted the initial Afghan donors' conference and have made key contributions to the reconstruction of both Afghanistan and Iraq.

Likewise, JBIC loans and other tools make Japan a key partner for the United States. We have made a good beginning. But there is much more we can do. Coordinating specific projects: targeting specific sectors; exchanging policy ideas; and seeking new means to effect economic and political change in reforming societies.

In science and technology, too, Japan is a pioneer--helping to forge breakthroughs in the biomedical sciences, information technology, and in clean energy and renewables. You are active in the ITER negotiations and joined the carbon sequestration initiative.

There is, too, the global struggle against transnational crime and illicit activity. Alliance coordination in this area is a special imperative because the source of so much of the global threat lies close to Japan's shores. North Korea has become a country that supports itself largely through counterfeiting, smuggling, trading in drugs, missiles and other weapons. Together, we need to work to stem that activity, which violates your law, American law, and even international law. North Korea cannot expect to be treated as a "normal" state unless and until it behaves like one, across the board.

An Economic and Financial Basket

And finally, there is the economic and financial basket of this relationship. The conventional wisdom on Asia's economy is that the economic challenges ahead center on China's rapid rise. But amid economists' debates about hard or soft landings and a possible bursting of the China economic bubble, it should be clear that there is more than enough room for two economic giants in Northeast Asia--and in that respect I have every confidence Japan's economy will continue to grow and flourish.

Japan has been counted out before. But as anyone who has driven Toyota's hybrid Prius will tell you, Tokyo's immense R&D efforts have begun to pay off. In fact, Japan quietly leads the world in many areas of hydrogen, fuel cell, and nanotechnology research. This R&D will foster the new industries that will drive economic growth over the next generation, and Japan is well-positioned to take advantage of breakthroughs.

Ultimately, we must aim for greater integration of the U.S. and Japanese

economies. This is not simply an economic matter, but part and parcel of supporting the alliance writ large. Liberalization of trade is not a zero-sum game for Japan. We stand to make great strides by integrating an already-deep economic partnership into the fabric of a larger strategic framework that can sustain the U.S.-Japan partnership well into the future.

Conclusion

This is an extraordinary time for the world, for the United States, and of course for Japan. We are well on the road to realizing the promise of a more global and modern alliance. Of course, we need, along the way, to sort through some differences.

One involves our sometimes varying perspectives on the use of force. Another concerns philosophical distinctions in our approach to international institutions. Yet another involves the challenges of coordinating resources at a time of strain on budgets. How, for instance, can we coordinate our ODA tool kits if Japan's commitment to ODA continues to shrink?

We also will need to tend our alliance across the generations, ensuring that younger Japanese and Americans build a common body of experience equal to that of their seniors. We must never become complacent about our alliance, but invest in a new generation and a shared vision of our future together.

Ultimately, the future is bright because of what binds us together: Tradition. A very deep well of popular affection. Common democratic values. And shared global interests.

The American role in the world will adapt as new challenges emerge. But some things must--and will--endure: Our commitment to our allies and partners. Our efforts to secure peace and prosperity for all Asians. And our desire to help spread the blessings of liberty.

America is a Pacific power, firmly rooted in this region. We are determined to play a vital role in the Asia of tomorrow that is taking shape today. Our alliance will be critical in that regard, not least because of the robust tool kit we each bring to the challenges of global peace and prosperity.

We do better working together than working alone. And we do best when we work jointly as stewards of the international order. And so I return to where I began: Ours is--and must remainaliving and breathing alliance. We must continue to forge a common future, even as we celebrate our remarkable shared past. Thank you very much.

Post-Election Strategic Priorities for the United States By

Lincoln P. Bloomfield, Jr. Assistant Secretary of State for Political-Military Affairs

(Excerpts from remarks at the Chatham House Conference on Matching Capabilities to Commitments. Can Europe Deliver? London, United Kingdom December 6, 2004)

Good morning.

Lord Roper, thank you for the introduction, and for the opportunity to join your deliberations on what lies ahead for the U.K., Europe and the United States in their pursuit of security.

From an American perspective, this conference is perfectly timed during the brief moment of policy introspection between the first and second administrations of President George Bush.

I have been invited to address post-election strategic priorities of the United States. You will, I hope, understand that these priorities will be more explicit and clear once President Bush's second term cabinet is confirmed and in place.

So what follows are the thoughts of one official who has lived through the last four years of momentous events forcing a major evolution in U.S. security policy, on the basis of which I will venture to spell out strategic challenges facing the United States

President Bush and his administration came to office in 2001 with a number of course adjustments in mind, relative to the previous administration.

There was a strong interest in advancing the missile defense program, increasing budget support to our military, and addressing forthrightly the burden of Iraq's continued non-compliance with UN resolutions, as well as the extremist

activities by other countries and non-state actors.

Of course, the focus on security became a national preoccupation in the U.S., on a scale previously unknown to my generation, after the September 11, 2001 terrorist attacks. Looking back at the intervening three years, Americans can point to tremendous, even historic strides in the scope of cooperation with our British allies and with Europe more generally:

First, we remember the immediate and generous offers of help from Europe to the emergency efforts in New York following the collapse of the Twin Towers. We will not soon forget that NATO invoked Article 5, and our allies united in pledging support for America's actions to secure itself against the terrorists in Afghanistan who had attacked our country. Afghanistan today is NATO's top priority.

Second, one has to cite the partnership on the battlefield between U.S. and U.K. forces, most notably in Iraq. The U.S. and U.K. each took on lead roles in Afghanistan, including the combat mission of Operation Enduring Freedom, stabilization mission of the International Security Assistance Force, and various crucial rehabilitation and training tasks for the new Afghan Government. The U.S. and U.K. political-military partnership has produced today the closest and most capable bilateral military alliance in the world. U.S. military cooperation in the field with other European allies has generated many other successes.

Third, perhaps reflecting the momentum of change spurred by these historic circumstances, NATO as an institution has successfully adapted and evolved in a very short time toward a better structured, more active, more relevant and more productive alliance. NATO expansion has gone very well. The process of reforming the NATO command structure moved smoothly and with good results. The new Allied Command Transformation in Norfolk, Virginia is, in my view, a key to ensuring that the NATO alliance will remain the essential guardian of our mutual security interests against any future threats.

The list of positive indicators could go on, but it should be enough to say here that our security foundation is in some ways strengthened, and in any case not broken.

But permit me to review another undercurrent that has shaped America's relations with Great Britain and with Europe generally these past four years. The Bush Administration brought to office a belief in the importance of clarifying and facing up to the implications of certain multilateral agreements, the negotiation of whose terms during the 1990s had strayed in important respects from what even centrist policymakers and the majority in Congress could be expected to accept as firm U.S. treaty obligations.

For example, the Rome Statute establishing the International Criminal Court, and the Ottawa Convention banning all antipersonnel landmines, had both reached final form in the late 1990s with the moral encouragement of the Clinton Administration, despite their embodying final that President Clinton terms recognized that the Senate would never accept as U.S. obligations.

I think it is worth explaining why the Bush Administration took the hard step of delineating these points of difference over the Rome Statute, the Ottawa Convention, and some other multilateral agreements. While one hopes it was well understood around the world that the U.S. cares a great deal about justice for war crimes. and safety for innocent civilians against the hazards of live landmines left in the ground after a conflict, the editorial and public reaction to these clarified U.S. positions, in Europe and even within the United States, included a perception that unilateralism was the preferred American course, and that the new administration could not be relied upon to support key goals shared by many countries around the world.

I think this reaction got it wrong, notwithstanding the odd voice in the administration's policy ranks that seemed to confirm it. What was truly different about the philosophy of the Bush Administration, compared to its predecessor, was a more deep-seated conviction that when the United States signs a treaty, it must fulfill its obligations reliably.

Just five days ago in Canada, President Bush captured both the promise and the pitfall of such negotiated approaches to international concerns when he said that "the success of multilateralism is measured not merely by following a process, but by achieving results. My country is determined to work as far as possible within the framework of international organizations, and we're hoping that other nations will work with us to make those institutions more relevant and more effective in meeting the unique threats of our time."

In each instance where President Bush braved the protests and stood up for terms of international commitment that differed from the majority of nations, he did so on the basis of sober calculations about realities in the world, not political or ideological agendas.

He did so because the price of a multilateral

approach that fails to advance security is higher than the political cost of criticism for declining to lend support to that approach.

This is true whether we are talking about failure to fulfill the purpose and intent of UN Security Council Resolutions on Iraq, removing a modern self-defensive landmine munition from our arsenal without a substitute, subjecting Americans and soldiers to untested and unregulated judicial treatment by a tribunal whose jurisdiction we have not accepted, or maintaining an Anti-Ballistic Missile treaty whose termination by the U.S. in the face of much international political resistance, quickly led to the largest reciprocal nuclear stand-down between the U.S. and Russia in a generation.

I mention these admittedly delicate issues to make a point: our friends in Europe are likely to see transatlantic security policy differences with Washington continue to be portrayed in the European media as evidence of a contrarian American condition, an affliction of ideological zealotry among Republican politicians that is out of step with the high principles representing the aspirations of Europe's peoples.

I think this is not only too simple, but wrong. And if this is the expectation, then many in Europe will misread President Bush's clear intention to reach out, solidify alliance relations, and address our common security challenges together.

Indeed, I would suggest that in preparing for the next four years of security relations with the United States, Europeans take a look at the questions that go unasked and unexamined when the accepted explanation of all differences is American wrong-headedness.

It is appropriate, by way of preface, to point out that Prime Minister Blair and his government have shown a real grasp of this perspective.

Let's start with Iraq. After more than a decade of a tattered and ineffectual UN sanctions regime, when exactly were the pilots patrolling the dangerous no-fly zones, and the sailors interdicting oil smugglers in the Gulf, supposed to stand down? Was a heavy, costly, predominantly American military posture in the Arabian Peninsula to contain Saddam Hussein's regime ever going to be relieved of this mission? Was the long list of unmet Security Council obligations considered a satisfactory state of affairs indefinitely?

As President Bush said in Nova Scotia last week, "the objective of the UN and other institutions must be collective security."

Indeed, as one looks back at the Bush Administration's experience, it is undeniable that the United States is, itself, taking on an ever-greater role in providing security for itself and others. With the latest expansion of NATO, the United States is formally committed to come to the mutual defense of over 50 countries in Europe, Asia and our own western hemisphere never mind the Middle East and Central Asia.

U.S. spending on R&D, weapons, training, and a high operational tempo of deployed forces including National Guard and reservists, is a high price, but one Americans are prepared to bear even as it works against our economic recovery, our effort to control deficit spending, and our plans to invest in social programs. The obvious question in Washington is, "if we do not fulfill these security roles, who will?"

In many respects, as I said a moment ago, the U.K. has answered this question rather resoundingly, extending its military capacity and its political and intellectual support very forthrightly in the face of clear dangers from the Al-Qaeda terrorist network and its ilk.

Others in Europe have similarly taken political risks and sent forces into harm's way, braving real dangers and suffering losses in Iraq and Afghanistan. So there is a basis in Europe for answering the American demand for credible responses to undeniable dangers.

The issue is whether transatlantic cooperation is likely to move in a strategically satisfactory direction in the next four years.

America's security priorities for President Bush's second term are not hard to imagine or predict:

- Prevent further terror attacks on the United States;
- Disrupt and defeat the international terror threat; and
- Fulfill other basic commitments to allies and friends around the world.

But here is the part to focus upon: the strategic success of these endeavors will be measured by whether they are carried out in partnership with, and with strong roles and contributions by, America's allies foremost in Europe.

Why does the U.S. measure success by the amount of shared burden and sacrifice among allies in facing the new security challenge?

We do this for two reasons:

First, as I have said, the expenditure of American blood and treasure is high, and we need the help and partnership of all the countries waging the war on terrorism,

And second, it is unhealthy for the U.S. and other countries to see the world through very different lenses. This undermines solidarity at the political level.

So let me ask: does it matter to Europeans what Americans see when they look across the Atlantic?

I began my remarks by citing the good news. But I think we all know that European willingness to carry a greater share of the defense burden has been a question at the heart of alliance politics for a number of years. It was Lord Robertson's greatest concern as NATO Secretary General.

One noted U.S. academic has summarized mutual alliance perceptions as follows: "until Europeans feel threatened, they will under-invest in defense and over-complain about Americans. As long as Americans harbor illusions about the closeness of interests shared with Europeans, they will be angered by the indifference, even contempt, shown by Europeans toward American security concerns and military sacrifice."

Those of us in policy roles of the allied governments operate from a more optimistic vision that this. We promote very positive military collaboration in Afghanistan and Iraq. We advance new and better concepts for information sharing and defense industrial cooperation particularly between the U.S. and U.K. We work well together on many, many issues. But then we see European policies that give credence, from an American perspective, to the darker, less optimistic vision of this alliance.

Example one: the U.S., following the advice of European governments a few years back, has pursued bilateral agreements around the world to ensure that the U.S. Government will have a say before one of our citizens or soldiers is turned over to the new International Criminal Court.

Nearly 100 countries have signed an agreement with us and most have ratified. Yet the Europeans have held out as a bloc, warning fellow neighbors not to sign and

lobbying against our negotiating effort even outside of Europe. Example two: the European Union has been contemplating the lifting of its Arms Embargo on China as an apparent gesture of improving relations. The U.S. has sent briefing teams across Europe to explain the sensitive military balance that could implicate our own forces in the Taiwan straits.

Separately, Japan has appealed to European governments not to perturb the Pacific Rim security equation. The EUPRC Summit is this week.

And so I leave you with a question. It is not enough to speculate on whether President Bush will, in his second term, be more given to unilateral or multilateral solutions. He is clear in preferring the latter so long as the solutions are commensurate to the challenges. No, the more salient question, I submit, is whether Europe will take its full share of ownership of the global problem manifested by terror and extremism. Will Europe, like the Americans, embrace the necessity of achieving strategic success, or will it confirm the lesser predictions of skeptics?

Answer that, and you will know what to expect in the coming years of alliance relations.

Thank you.

President's FY 2006 International Affairs Budget Request

By

Condoleezza Rice U.S. Secretary of State

(Prepared Remarks before the Senate Foreign Relations Committee, Washington, DC, February 16, 2005)

SECRETARY RICE: Thank you, Mr. Chairman. This is a time of challenge, hope and opportunity for America, and for the world. And as I mentioned during the Committee's consideration of my nomination, I look forward to working with you to build a strong bipartisan consensus behind America's foreign policy and to ensure that the men and women of American diplomacy have the resources they need to conduct their vital mission.

The President's FY 2006 International Affairs Budget [www.state.gov/m/rm/rls/iab/2006/pdf/] for the Department of State, USAID and other foreign affairs agencies totals \$33.6 billion. On Monday, President Bush submitted an FY 2005 supplemental request [www.whitehouse.gov/omb/budget/amendments/supplemental_2_14_05.pdf], including \$6.3 billion for international affairs activities, of which \$701 million is for tsunami relief funding for the Department of State and USAID

If I may, Mr. Chairman, I will begin with an overview of President Bush's foreign policy mission, which we seek this Committee's support to advance.

In his recent State of the Union Message, President Bush spoke of the unprecedented efforts we have undertaken since September 11, 2001 with allies and friends around the world to defeat terrorism. The President spoke of the significant progress we have made confronting the enemy abroad, removing many of al-Qaida's top commanders, cutting off terrorist finances,

and putting pressure on states that sponsor or harbor terrorists or seek to proliferate weapons of mass destruction. But in the long term, as President Bush said, "The only force powerful enough to stop the rise of tyranny and terror, and replace hatred with hope, is the force of human freedom."

President Bush has charged the men and women of the Department of State with helping to create a balance of power in the world that favors freedom, and I feel privileged to lead them in this effort.

To advance our diplomatic mission of freedom, I recently traveled, as you know, to Europe and the Middle East. I spoke with European leaders about how America and Europe can best work together to serve freedom's cause worldwide. President Bush will continue that conversation when he arrives in Europe on February 21.

Our European allies and we must put the power of our partnership to work to meet the challenges of a changing world – particularly in the Broader Middle East and North Africa. Efforts to encourage political pluralism, economic openness and the growth of civil society are critical to the future of this strategically important region. Recognizing this, through the G-8 we have established the Forum for the Future -- a new partnership of progress between the democratic world and the nations of a vast region extending from Morocco to Pakistan. The first meeting of the Forum in Rabat last December was a

success. We must now follow up on that success and we are committed to assisting the Forum to play a central role in advancing reform in the region.

Next month in London, Prime Minister Blair will convene an important conference of major donors to help the Palestinian people advance their political, security and economic reforms and build infrastructure for self-government. Also in March, under the auspices of the Broader Middle East and North Africa Initiative, Egypt will host a meeting in Cairo of G-8 and Arab League members to broaden the base of support for peace and reform.

The path of democratic reform in the Middle East will be difficult and uneven. The spread of freedom is the work of generations, but it is also urgent work that cannot be deferred.

From Morocco to Jordan to Bahrain, we are seeing elections and new protections for women and minorities, and the beginnings of political pluralism. In support of these hopeful trends, the FY 2006 budget request proposes enhanced funding for diplomatic and assistance activities in the Middle East, North Africa and other majority Muslim countries. The request includes \$120 million for the Middle East Partnership Initiative for reform, \$40 million for the National Endowment for Democracy to support the Broader Middle East and North Africa Initiative, \$180 million for Muslim outreach through educational and cultural exchanges, and increases for a wide range of other public diplomacy broadcasting initiatives geared toward Muslim publics, particularly populations not typically reached by other programs including women and young people. The success of freedom in Afghanistan and

Iraq will give strength to reformers throughout the region, and accelerate the pace of reforms already underway.

Every leader in Europe I spoke to understands our common interest in building on recent successes and stabilizing and advancing democratic progress in Afghanistan and Iraq. For our part, to build on the momentum in Afghanistan following last October's elections, President Bush has requested nearly \$1.1 billion. This money will be used to invest in health, education, clean water and free market infrastructure that create conditions for sustained growth and stability. The \$1.1 billion includes funds for operations to continue the fight against drugs. The FY 2005 supplemental seeks \$2 billion for expanding police and counter-narcotics programs accelerating reconstruction and democracy activities and governance supplemental also includes \$60 million for Embassy security and operational costs.

The European leaders I spoke with agree that it is time to close the book on our past differences over Iraq, and time for all of us to help the Iraqi people write a new book – the history of a democratic Iraq. To help the advance of democracy in Iraq, President Bush has requested \$360 million for economic assistance to continue work already begun under the IRRF and targeted towards helping the Iraqi government to create a functioning democracy and a justice system governed by the rule of law, to deliver basic services to its people, to collect revenues, to generate jobs and to develop a free market system capable of joining the global economy. The FY 2005 supplemental includes \$690 million to continue U.S. mission operations and \$658 million to

construct a new embassy compound in Baghdad.

Of course, the process of reform in the Muslim world is not detached from the resolution of important political issues. In my recent travels I found no difference of view, at all, between the United States and Europe on the goal of an independent Palestinian state living side-by-side in peace with the Jewish State of Israel. We all support the process of reform in the Palestinian Authority. The successful Palestinian elections of January 9, and the Israeli withdrawal plan for Gaza and parts of the West Bank, have created a new climate that is propitious for movement back to the Roadmap. And we thank Senators Biden and Sununu for serving on the U.S. Delegation that observed those key elections.

At their meeting in Sharm el-Sheikh with President Mubarak and King Abdullah, both Prime Minister Sharon and President Abbas called this a time of opportunity must not be lost. And President Bush has invited both leaders to Washington in the spring. President Bush also has announced an additional \$350 million to help the Palestinians build infrastructure and sustain the reform process over the next two years. Of the \$350 million, \$150 million is included in the FY 2006 budget request and \$200 million is included in the FY 2005 supplemental.

And so I have returned from my travels to the Middle East and Europe confident that the parties now have before them the best chance for advancing peace that they are likely to see for some years to come.

Even as we work with allies and friends to meet the great challenge of advancing freedom and peace in the broader Middle East and North Africa, we will seize other important opportunities to build a world of peace and hope.

We will work to strengthen the community of democracies, so that all free nations are equal to the work before us. We must do all we can to ensure that nations which make the hard choices and do the hard work to join the free world deliver on the high hopes of their citizens for a better life. In much of Africa and Latin America, we face the twin challenges of helping to bolster democratic ideals and institutions, and alleviating poverty. We will insist that leaders who are elected democratically have an obligation to govern work democratically. We will partnership with developing nations to fight corruption, instill the rule of law, and create a culture of transparency that will attract the trade and investment crucial to poverty reduction.

We seek \$3 billion for the third year of the Millennium Challenge Corporation, our bold, growth-promoting approach to development, which helps countries that govern justly, adopt sound economic policies and invest in the welfare of their people. We also seek \$2.4 billion in development, child survival and health assistance. This Budget exceeds the President's 2002 commitment for overall growth in core development assistance by requesting a total of \$19.8 billion, \$8.2 billion more than in 2002.

We will help countries enhance their capabilities to protect their citizens from traffickers and terrorists.

Our FY 2006 request includes \$734.5 million for the Andean Counter Drug Initiative to consolidate gains made in

recent years in eradication, interdiction and alternative development.

We are requesting \$5.8 billion in assistance to our partners in the global war on terror. And the FY 2005 supplemental proposes \$750 million to support our coalition partners, including those standing steadfastly with us in Afghanistan and Iraq.

When they engage effectively, multilateral institutions can multiply the strength of freedom-loving nations. We are requesting nearly \$1.2 billion for U.S. obligations to international organizations, including the United Nations, and a little over \$1 billion to pay projected U.S. assessments for UN peacekeeping missions. We are seeking \$114 million to enhance the peacekeeping capabilities of non-UN forces, with a particular focus on Africa. The FY 2005 supplemental request seeks \$780 million to fund the UN-assessed costs of new and planned peacekeeping missions in the Ivorv Coast, Haiti, Burundi. Sudan/Darfur, and includes \$55 million for a possible Sudan tribunal. In addition, the supplemental seeks \$100 million to support the North-South peace agreement and \$242 million to address urgent humanitarian needs arising from the ongoing Darfur crisis.

We have seen how states where chaos, corruption and cruelty reign can pose threats to their neighbors, to their regions, and to the entire world. And so we are working to strengthen international capacities to address conditions in failed, failing and post-conflict states. We know that this is an issue of special interest to you, Mr. Chairman, and President Bush already has charged us at the State Department with coordinating our nation's post-conflict and stabilization efforts. We are asking for \$24 million for the new

Office of the Coordinator for Reconstruction and Stabilization housed in the Department. The FY 2005 supplemental seeks \$17 million for startpersonnel costs for Coordinator's Office. And the FY 2006 budget proposes a \$100 million Conflict Response Fund to quickly address emerging needs and help deploy trained experienced civilian personnel immediately to an unstable region. We appreciate your support, Mr. Chairman, and that of the Committee, for this funding and look forward to working with you closely on reconstruction and stabilization issues.

The United States must stay at the forefront of the global fight against HIV/AIDS. We are requesting \$3.2 billion in total U.S. funding for care, treatment prevention efforts. We and demonstrate the compassion of the American people in other ways as well. Through our continued support of international and non-governmental organizations, we will ensure that America remains the world's most generous food and non-food humanitarian assistance provider. We are requesting \$2.59 billion in food aid and famine relief and non-food humanitarian assistance. The FY 2005 supplemental seeks \$950 million for relief, rehabilitation and reconstruction of areas devastated by the Indian Ocean tsunami and for tsunami early warning and mitigation, including the \$350 million initially pledged by President Bush. \$701 million of the supplemental is for State and USAID, including for coverage of USAID's expenditures for relief efforts to date.

In all of these endeavors, the primary instrument of American diplomacy will be the Department of State, and the dedicated men and women of its Foreign and Civil Services and Foreign Service Nationals. Together, we will apply the tools of diplomacy to protect our homeland and advance the values for which it stands and to strengthen the community of democracies for the work of freedom worldwide.

I welcome this Committee's help in ensuring that the men and women of American diplomacy are well equipped for the challenges ahead in terms of training, technologies and safe workplaces. Secretary Powell and his team made important progress in these areas and we must build on the foundation they established.

We are requesting \$1.5 billion for security-related construction and physical security and rehabilitation of U.S. embassies and consulates, and \$690 million to increase security for diplomatic personnel and facilities. We have a solemn obligation to protect the people of our diplomatic missions and their families, who serve at our far-flung posts in the face of an ever-changing global terrorist threat.

We must strengthen the recruitment of new personnel. We are seeking \$57 million for 221 new positions to meet core staffing and training requirements. And as we seek out new talent, we also seek to further diversify our workforce in the process. We send an important signal to the rest of the world about our values and what they mean in practice when we are represented abroad by people of all cultures, races, and religions. Of course, we also must cultivate the people we already have in place – by rewarding achievement, encouraging initiative, and offering a full range of training opportunities. That includes the training

and support needed to make full use of new technologies and tools, and we are asking for \$249 million from appropriations and fee revenues for investment in information technology.

Public diplomacy will be a top priority for me, as I know it is for this Committee, and the FY 2006 request includes \$328 million for activities to engage, inform and influence foreign publics. America and all free nations are facing a generational struggle against a new and deadly ideology of hatred. We must do a better job of reaching hard to reach populations, confronting hostile propaganda, dispelling dangerous myths, and proactively telling a positive story about America. In some cases, that may mean we need to do more of what we are already doing, and in other cases, it may mean we need new ways of doing business.

If our public diplomacy efforts are to succeed, we cannot close ourselves off from the world. We are asking for \$931 million to improve border security and for an increase of \$74 million over FY 2005 for educational and cultural exchange programs, bringing the total to \$430 million in FY 2006. We will continue to work closely with the Department of Homeland Security to identify and prevent terrorists and other adversaries from doing we maintain harm. even as fundamental openness that gives our democracy its dynamism and makes our country a beacon for international tourists, students, immigrants, and businesspeople. We will keep America's doors open and our borders secure.

Mr. Chairman, Members of the Committee, this time of global transformation calls for transformational diplomacy. More than ever, America's

diplomats will need to be active in spreading democracy, reducing poverty, fighting terror and doing our part to protect our homeland. And more than ever, we will need your support if we are to succeed in our vital mission for the American people.

Thank you, Mr. Chairman. I would be pleased to answer any questions that you and the other distinguished Committee Members may have.

Education and Training

Defense Institute of Security Assistance Management Mobile Education Team to the NATO Maintenance and Supply Agency

By Donald J. McCormick Instructor Defense Institute of Security Assistance Management

A DISAM Mobile Education Team (MET) completed a one-week Foreign Purchaser Course (SAM-F) for the NATO Maintenance and Supply Agency (NAMSA) in Capellen, Luxembourg, between 27 September and 1 October 2004. The NATO Airborne Early Warning and Control (NAEW&C) Programme Office requested this training which was conducted by Mr. Eddie Smith, Lt Col Bill Rimpo, USAF and Mr. Don Mc Cormick. In all, 30 students completed the course.

This was the first ever MET performed at NAMSA, and the third for the NAEW&C community. The request originated from the NAEW&C Main Operating Base at Germany Geilenkirchen, and Force Command during a U.S. Air Force Security Assistance Center (AFSAC) Foreign Military Sales (FMS) program management review. The objectives were to review current FMS policies and procedures for the NAEW&C members. NAEW&C program's concerns were in the area of planning and processes, requirements resource generation, budgeting, acquisition, and sustainment within a U.S.-host country security assistance relationship. DISAM also covered U.S. laws, policies, and procedures governing the security assistance program. The course was tailored to present significant aspects of the FMS program emphasizing logistics support and pricing of security assistance services such as manpower. Within the different blocks of instruction, it was clear that there were significant enhancements to the students' understanding of the management of U.S. security assistance resources; knowledge of customer responsibilities as individual security assistance resource managers; and a greater understanding of the need and vehicles for communications between the purchaser country and U.S. supporting agencies.

The course was taught in the NAMSA Conference Facility. Although the course was primarily for military and civilian members of the NATO airborne warning and control system (AWACS) community, the course was also open to students from several other NAMSA programs as well as members of the Luxembourg Army.

Opening remarks were provided by the Chief of the Material Management Center, Mr. William Moravek who stressed the importance of FMS support to the various NAMSA programs and NATO weapons systems. For 45 years, NAMSA has been the principal NATO logistics agency. It is the largest of the NATO agencies, with an international workforce of some logisticians, engineers, contracting officers, and administrative support personnel drawn from the NATO nations. NAMSA has additional logistics operations outside Luxembourg that include its Southern Operational Centre in HAWK Logistics Taranto, Italy, the Management Office located near Paris. France, and an in-place logistics support office at the Kabul International Airport in



P. Woollard Team at NAMSA's front gate.

Afghanistan. Additionally, NAMSA has staff co-located with the U.S. Army Aviation and Missile Command in Huntsville, Alabama, at the NAEW&C Force Command at SHAPE Headquarters in Mons, Belgium, at the NAEW&C Procurement Management Agency in Brunssum, The Netherlands, and at the NATO AWACS main operating base in Geilenkirchen. Germanv. NAMSA's business philosophy is simple and consolidating effective: bv nations' requirements for maintenance, engineering and supply management services, it can leverage its buying power to purchase economic quantities of materiel generating significant cost avoidance. This may also avoid the potential of individual nations competing for resources coming from the same vendor. It also provides the ability to centrally stock materiel requirements and distribute economically for the participating nations.

Highlights of some of the topics presented to the students include the October, 2003

DSCA policy letter pertaining to Supply Discrepancy Reporting (SDR) transportation reimbursement policy. Part of Mr. Smith's SDR lesson addressed the policy letter and emphasized its significance in that it allows for some of the customer's transportation cost to be reimbursed. The training syllabus also covered the use of the MILSTRIP Supply Assistance Request (SAR), and management actions which must precede the submission of SARs. Several other topics generated excellent student/instructor discussion. Pricing manpower services and the different cost recovery categories discussed detail. were Transportation issues focused on the challenges being encountered as a result of customs and export changes since September 11, 2001. topic which generated lively Another interaction was Lt Col Rimpo's lesson on the roles and responsibilities of the U.S. as it pertains to contracting and the role of the international purchaser.

Mr. Jim Wright, Chief of the Supply, Services, and FMS Support division for the NAMSA AWACS Program, Mr. Phil Woollard, and Mr. Nico Armao, members of his section, were especially helpful during the visit. In preparation for the course, Mr. Wright and Mr. Woollard worked with DISAM to adjust the schedule and work out all support issues. The outstanding administrative support from Ms. Scheer and Mr. Ridosh in preparing diplomas. collecting distributing the training materiel, and arranging all accommodations was also greatly appreciated.

Teaching at NAMSA was a challenging and interesting opportunity. Based on DISAM observations and student feedback, the course met the educational requirements and objectives; providing students with an overview of the Security Assistance program. The members from the NAEW&C at NAMSA, the main operating base and Force Command office

expressed their desire to establish a recurring training program.



Group photo of NAMSA students.



DISAM Instructor presents a Luxembourg Army student with the DISAM pin.



Members from Force Command and the Main Operating Base, during class session.

The Defense Institute of Security Assistance Management Mobile Education and Training Team Visits the Netherlands

By Forrest "Ed" Smith Instructor Defense Institute of Security Assistance Management

DISAM completed its fifteenth MET for the Netherlands in September 2004. The specialized classes were conducted at the the Institute Defensie Leergangen (Defense Military Institute), in Ypenburg, Netherlands, 12-24 September 2004.

The DISAM team members were Lt Col Bill Rimpo, Mr. Don McCormick, and Mr. Ed Smith. Ms. Donna Rickabaugh from the U. S. Army Security Assistance Command (USASAC-NC) rounded out the MET team.



Delft Town Gate Circa 1400

The team conducted two one-week courses of instruction. During the first week DISAM conducted a specially modified Security Assistance Introduction Course while the second week was devoted to specialized Logistics & Financial Management instruction. The DISAM team was supported by Ms Rickabaugh who conducted U.S. Army specific instruction



Chief of RNLAF Addressing Students.

Colonel Jan Raats, Chief, Procurement Department of the Royal Netherlands Air Force (RNLAF) opened each of the courses with a presentation stressing the importance of foreign military sales (FMS) to the Netherlands and the RNLAF in particular. He addressed the enormous challenges the RNLAF is facing in dealing with the FMS system and importance of FMS in supporting their requirements in an era of austere budgets. He emphasized to the students that the knowledge gained from their attendance at the course needs to be applied to their daily duties in order to meet cost, schedule and performance.

During the first week of instruction the DISAM faculty focused on the basics of FMS legislation and policy, process, technology transfer, acquisition, and a brief introduction to logistics and finance. The team also received support from the Office of Defense Cooperation (ODC). Lt Col Ralph King, Chief, AF Section and Mr. Randy Meyers, Training Administrator participated in the

opening ceremonies. Mr. Meyers presented a briefing on the functions of the ODC with specific emphasis on the international student processing procedures in the Netherlands.



Dutch students in a lively classroom discussion

The second week focused on more details in the logistics and financial specialties. During this intense period of instruction, Ms Rickabaugh presented comprehensive instruction on the U. S. Army logistics systems and supply discrepancy reporting while the DISAM team focused on the DoD logistics and finance systems and procedures. The students weren't done when the U. S. team completed instruction for the day as the RNLAF presented material unique to the Dutch way of doing business with the U. S. Government. Again instruction was focused on logistics and finance from the Dutch perspective

At the conclusion of instruction the students were presented with comprehensive exercises to challenge their understand of the logistics and financial workings of the FMS and DoD processes. The specially tailored exercise was designed to take the students through the FMS process from Letter of Request to logistics issues concluding with financial aspects of case management and closure.



Students working diligently on the DISAM exercise in Week 2



Students discussing case analysis.



Air Commodore Bergsma displaying his 1984 DISAM class pictures



Air Commodore Bergsma receiving his original 1984 diploma at the class graduation ceremonies in Dayton, Ohio

At the conclusion of both classes, it was DISAM's honor to have graduation presided over bv ceremonies Air Commodore Geert M. Bergsma, Deputy Comptroller of the Royal Netherlands Air Force. Air Commodore Bergsma was a graduate of the DISAM in-residence course in 1984. He brought along his original DISAM Diploma, and class photographs that he had keep for 20 years! The Commodore highlighted significant changes taking place in the Netherlands logistics and financial communities. The Ministry of Defense is in the midst of major restructuring that will have significant impacts on the way business is conducted with regards to FMS and commercial purchases of defense articles and services. He emphasized the special nature of this MET and the close relationship between the Dutch Air Force and other services.

Special thanks go to Mr. Rob Choufoer, Ms Ines Bechan and Ms Anja Cooyman of the RNLAF FMS program. They were responsible for planning, and coordinating the training with DISAM, receiving and delivering the training materials, and assisting the team each day.

About the Author

Mr. Forrest E. "Ed" Smith has an extensive background in security assistance programs and training. He is an Associate Professor of Security Assistance Management at DISAM. He has also held security assistance positions as a Logistics Analyst for DSAMS Training and Field Support, Chief, Arabian Programs Branch, Air Force Security Assistance Center (AFSAC), AFLC Security Assistance Program Liaison Officer to PACOM, and Security Assistance Program Manager, International Logistics Center (ILC). He was awarded a Master of Science/Logistics Management from the Air Force Institute of Technology, and a Bachelor of Business Administration/Business and Finance from the University Massachusetts.